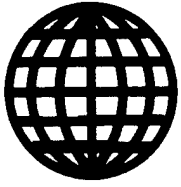


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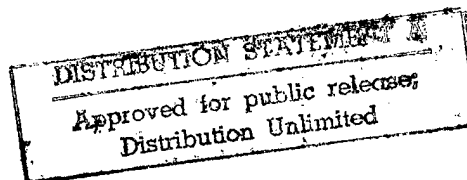
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# ***JPRS Report***

## **East Asia**

### ***Southeast Asia***

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# East Asia Southeast Asia

JPRS-SEA-92-014

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**Fake Pepsi Makers Arrested**

92SE0247B Rangoon *WORKING PEOPLE'S DAILY*  
in English 9 Apr 92 p 2

[Text] Yangon, 8 April—Two persons, U Tin Maung Win of No Hsalein 18, Yangon-Insein Road, and his son Maung Tun Win Oo were booked by Mayangonn Police Station under Sections 420 and 468 of the Penal Code on 1 April as they were found making imitation Pepsi Cola.

The case was that on 1 April at about 3 pm, Mayangonn police, led by Sub-Inspector (Station Commander) U Tin Myint and members of Ward Law and Order Restoration Council of Ward No 3 U Ba Toe and U Tin Oo,

acting on information that products in imitation of Pepsi Cola of the Pepsi Cola Products Myanmar Limited were being produced, lay in wait at the Kangyi Maung Cold Drinks Shop at No 12/A Yangon-Insein Road. After some time one Maung Tin Win Oo appeared and sold 24 bottles of 'Pepsi Cola' at the shop. On inspection, they were found to be imitation.

After interrogating Maung Tun Win Oo, police searched the house of U Tin Maung Win and found imitation Pepsi Cola solution and paraphernalia used in producing imitation Pepsi Cola. Police arrested the two and opened a case against them, it is learnt.—MNA

### **Khmer Rouge Logging Operations on Thai Border**

92SE0246C Bangkok BANGKOK POST in English  
16 May 92 p 14

[Text] Phum Thmei, Cambodia (Reuter)—Last year there was a jungle that stretched from the Khmer Rouge settlement of Phnum Thmei and Phnom Malai in western Cambodia in all directions for 40 square kms (15 square miles).

Now there is only treeless flatland.

"We will develop this area into a new city for our people," said Long Norin, a senior official with the radically leftist group.

Tree-selling preceded urban planning.

In the Thai border town of Aranyaprathet, four ethnic-Chinese Thai businessmen huddled around a table at the Inn Pound Hotel.

"We have to amend the contracts because next year there will be the election and then the current contracts will be invalid," one businessman said.

They whispered. They were talking about trees.

Since a fragile ceasefire was put in place in Cambodia last year formally ending 13 years of civil war, the Khmer Rouge guerrillas have been selling off the trees they hid behind during their guerrilla war against the Phnom Penh government.

Analysts say all four factions are racing to take advantage of confusion in the transitional period before the elections due next year to make as much money as they can.

"We are very concerned about the environment but after the peace agreement was signed in Paris our Chinese friends stopped all assistance so we have to sell some trees to the Thais to meet the immediate needs of the people," Ieng Sary, second only in the Khmer Rouge to its shadowy leader Pol Pot, told visiting reporters earlier this month.

Cambodia, struggling to recover from more than two decades of war and upheaval, has no laws or regulations covering exploitation of natural resources.

The four factions that control Cambodia trade accusations the others are abusing the land under their control by selling timber in exchange for hard currency.

The border crossing at Aranyaprathet, Thailand, is bare of trees for 350 metres on both sides.

Logging is banned in Thailand, where indiscriminate felling has denuded whole areas, but a vigorous timber business thrives using logs from Burma, Laos and Cambodia.

No figures are available for the amount of Cambodian timber being cut by Thais, but thousands of felled trees

are scattered alongside the dirt roads around Phnum Thmei and Phnom Malai, just over the Thai border.

The Khmer Rouge have given concessions to five Thai companies to dig for rubies and gems in Pailin and to six logging companies to cut trees in vast areas near the border.

Khmer Rouge fighters escort the heavy trucks that each day carry the timber out of Cambodia.

Troops loyal to the faction once led by current head of state Prince Norodom Sihanouk have [been] allowing a Thai logging company to cut trees in areas in north-western Siem Reap.

A plan is afoot for Thai contractors to build six new roads in four western provinces of Cambodia, stretching through 250 kms of jungle, said a Thai official who asked not to be named.

The trees to be felled would all go to Thailand, he said.

### **Ieng Sary Discusses 'Mistakes'**

92SE0246B Bangkok BANGKOK POST in English  
5 May 92 p 5

[Text] Phum Thmei (Reuter)—Ieng Sary, "Brother Number Two" in the Khmer Rouge hierarchy, says he spends his retirement puttering around his garden and worrying about the environment.

The Khmer Rouge, whose rule claimed the lives of one million Cambodians, "made mistakes" in the past, he concedes.

But asked about international demands that he and other Khmer Rouge leaders stand trial for genocide, he shrugs and says: "It's up to them."

Ieng Sary, officially retired from the Khmer Rouge leadership, was speaking over lunch yesterday in this Khmer Rouge village where he now lives, in a rare meeting with foreign reporters.

He is one of the original Khmer Rouge core who plotted their rise to power as students in Paris and oversaw a disastrous, blood-stained 1975-78 rule under the shadowy Pol Pot—known as "Brother Number One" among Khmer Rouge cadres and Ieng Sary's brother-in-law.

Ieng Sary, now 61, said his priority was to end what the Khmer Rouge say is Vietnamese domination of Cambodia.

Asked about the Khmer Rouge rule, he said: "I admit that there were some mistakes but there was some good as well."

He did not elaborate on the benefits.

Thirteen years of civil war ensued between the Phnom Penh government and a guerrilla coalition spearheaded

by Pol Pot's fighters until the United Nations brokered a peace accord last October that allows all groups to stand in 1993 elections.

Many people have demanded that the government which emerges should put Pol Pot, Ieng Sary and other members of the Khmer Rouge old guard on trial for genocide.

"It's up to them if they want to try me," he said. "That does not mean I'm not worried but I give priority to the withdrawal of Vietnamese troops from our country."

Hanoi formally pulled out its troops in 1989. Officials of the huge UN peace-keeping force now moving into Cambodia have yet to find any Vietnamese soldiers and have accused the Khmer Rouge of using the issue as a pretext for stalling on compliance with the peace accord.

Ieng Sary said he spent most his time tending his small garden and sometimes advised the leadership on economic affairs. It was clear he was well briefed on current policy.

## POLITICAL

### Paper Calls for New Election Campaign Rules

92SE0266A Jakarta PELITA in Indonesian  
27 May 92 p 4

[Unsigned editorial: "Campaign Becoming Brutal"]

[Text] We, too, were concerned when we learned that lives have been lost in the election campaign. After meeting with leaders of the three OPP's [election participant organizations], Minister of Home Affairs Rudini, as chairman of the LPU [General Election Board], said that the 1992 election campaign is tending toward more violations and more brutal activity. Such activity has taken 15 lives.

We must give special attention to the statement made by PANGAB [Indonesian Armed Forces Commander] General Try Sutrisno. Speaking to reporters Monday [25 May] after attending President Suharto's inauguration of 22 basic chemical industry plants, the PANGAB warned that everyone must be more careful about the last phases of the campaign, because elements unhappy with the election may create disorder.

According to these two high officials, brutality and disorder have disgraced our politics. The words brutality, fury, and terror produce fear in relations among the Indonesian people, who want to create the peaceful and harmonious life desired by our country's founders.

We are of course concerned over the pointless deaths of 15 human beings. We say pointless, because clearly they were attending a campaign activity without understanding how our political system works. Most of those who died were young people, and we can guess at how much understanding they had of the political system.

It was pointless, because the deaths occurred on a public street. We express our sympathy with the families left behind and offer our condolences. Of course, death is in the hand of God, but we regret, nevertheless, that the campaign must take human lives, the lives of young people with a large future.

We should therefore take this opportunity to question the need for campaign activities that involve large crowds of people. There will always be casualties. Brutality will continue to spread, and people who want disorder will have a suitable medium and opportunity.

Moreover, it is probably relevant for us to cite the results of research conducted by Dr. Afan Gaffar, political science expert and teacher at the Sociology and Political Science Faculty of Gajah Mada University in Yogyakarta, on treatment of OPP's by voters. It turns out, Gaffar says, that there is no correlation between attendance at a campaign rally and the way a person votes. A person may attend A's campaign rally but vote for contestant B.

Young people show the same behavior. We cannot ignore the fact that most young people use campaign rallies as arenas for rioting. The OPP campaign rallies become places where they may express their animosities and shout and scream against the routine of their lives. For five years, they have experienced job shortages and increasingly expensive education. They see the uncertainty of their future and the growing burdens of their parents. The campaigns give them a chance to express all those burdens. No matter which contestant is holding a rally, young people attend and participate. They become more and more furious when rally leaders shout provocation about injustice and inequality.

The young people are ready to die, ready to perform brutal acts, and ready to do inappropriate things. They are ready to do things that violate the law. These are the excesses of election campaign rallies that involve masses of people.

It is our opinion, therefore, that such clamorous campaign rallies need to be reconsidered. In the future, we need to be reoriented to what is beneficial. Several political experts and practitioners say that the LPU and the PPI [Indonesian Election Committee] should give new campaign guidance for the election five years from now. This guidance should include limitations that keep campaign rallies involving masses of people to a minimum.

Open campaigns are still needed, because the purpose of a campaign is to influence people. Influence naturally must be open. To prevent the excesses we have referred to, however, there must be a limitation on the number of people who attend.

We should practice what our relatives in Malaysia have learned from experience. The government of our neighbor country requires that political campaign rallies be conducted in closed spaces. Although campaign rallies are open, space limits the number of people who attend.

Democratic and political maturity is not measured by the sizes of crowds that attend a contestant's campaign rallies. Political maturity depends on the extent to which we can produce consensus out of conflict, which should be done voluntarily. Campaign rallies like the ones held recently can only bring to the fore the conflicts in our society. We do not want to repeat the history of the time when we almost fell apart and destroyed ourselves in extended conflict.

Besides calling on all participants in this last phase of the campaign to avoid issues that stir up and anger crowds, we also ask the government to improve campaign procedures so that negative excesses can be eliminated or kept to a minimum.

### MPR Preparing for 1993 State Guidelines

92SE0270A Jakarta TEMPO in Indonesian 30 May 92  
p 27

[Article by Yople Hidayat, Wahyu Muryadi, and Iwan Q. Himawan: "State Guidelines: Now to Be Drafted Without a Team;" first paragraph is editorial introduction]

[Text] The next GBHN [State Guidelines document] will be directly distributed to the various factions in the MPR [People's Consultative Assembly], even though the parties admit that they have prepared their own drafts of the document.

It can be stated almost with certainty that the 1993 general session of the MPR will be more active. This is because well before the beginning of the session, scheduled for the beginning of March 1993, all factions of the MPR will have received the materials necessary for drafting the State Guidelines. Minister and State Secretary Murdiono said: "There will be no 'Team of Nine' appointed by the president to prepare the State Guidelines."

Usually, at the general session of the MPR the president, as the "mandataris" [presiding officer], participates in the preparation of the draft State Guidelines. A team known as the "Team of Nine," because it consists of nine selected persons, most of whom later are appointed cabinet ministers, discusses the draft State Guidelines as its first order of business. It may be said that when the work of this team is completed, the guidelines are already half done. It is this aspect which has often been criticized by the parties subsequently as undemocratic.

Minister Murdiono said: "Now President Suharto is answering this challenge." The first draft of the State Guidelines is prepared by the National Defense and Security Council [Dewan Pertahanan dan Keamanan Nasional—Wanhankamnas], whose chairman is Vice Admiral Mahmud Subarkah. This work has been done over the past four years. The draft is in the form of proposals from several groups—beginning with the universities and including the top leaders of Permadi. This draft was sent to President Suharto two weeks ago. Next, after the forthcoming general elections the president will send the draft to the various factions in the MPR, through the political parties, Golkar [Functional Groups Party], and the Indonesian Armed Forces. Therefore, when the MPR is installed in office early in October, the five factions in the MPR can directly discuss the draft State Guidelines document. They do not have to wait for the general session of the MPR. Minister Murdiono said: "We will see whether the nation is able to complete a major amount of work like this without running into a dead end."

At least the working body of the MPR, which will be set up after the body is installed in office, can immediately consider it. At the general session of the MPR in March it will be up to the five factions of the MPR to approve the draft and send it to the president of Indonesia and

the presiding officer of the MPR to be elected. They will arrange for its use as a basis for planning development over a period of five years.

However, in fact the political parties and Golkar have quietly prepared themselves for this major task. The PPP had its own version of the State Guidelines ready by June 1990. Ismail Hasan Metareum, general chairman of the PPP, remarked: "With this draft our members have something in hand for the MPR session."

The PPP draft is now in the final stage of preparation. It consists of seven sections. The basic concept of the PPP version of the State Guidelines is equal sharing, social justice, and democracy. Saefuddin said: "For example, if the PPP version of the State Guidelines were really implemented, then no more land would be cleared for golf courses. The people would not be pulled this way and that way but given a share whose size would be proportional to the land which they own."

Of course, Golkar, which up to now has been considered the best prepared of the political parties and groups, has not lagged behind. Rachmat Witoelar, secretary general of Golkar, said: "Indeed, we have not been exactly idle at this time because the campaign is going on." Witoelar is also chairman of the committee charged with drafting the State Guidelines. However, he continues to have the goal of having the draft ready by 28 June.

This leaves the PDI, which seems to have been very busy in the campaign. The PDI version of the State Guidelines, according to a source, only includes the subject matter, themes, and campaign slogans which are planned to be discussed later on in this draft. The general chairman of the PDI himself only commented briefly on the matter: "The PDI has been working to prepare all of that." Indeed, according to a PDI leader, the party is also ready to turn its draft over to the MPR after that body is installed in office.

In view of these serious preparations, it seems unlikely that the future consideration of the State Guidelines will move forward slowly. Almost all of the leaders of the political parties and Golkar admit that they are ready for a vote on the concept which has been drafted. If this is really the case, one further step will be taken in the process of democratization.

### Background Notes on Golput Reported

92SE0269A Jakarta TEMPO in Indonesian 30 May 92  
pp 17, 18

[Article by Toriq Hadad, Sandra Hamid, and Ivan Haris: "Where Did the Whites Come From?"; first paragraph is editorial introduction]

[Text] Most of the people who support Golput [White Group] live in the cities and are well educated. "Traditional" members of Golput usually shift to supporting Golkar [Functional Group].



When the "Yogya Incident" occurred last week, it was as if Golput had wound up as the fourth political party. Not only was its "party symbol" displayed. Its supporters in Yogyakarta were holding up its sign of four fingers—turning the thumb in toward the palm—to indicate that they were supporters of Golput.

One observer thought that Golput grew and flourished among city people whose level of political awareness was high. To get a clearer picture of Golput, TEMPO sent reporters from six TEMPO bureaus in six large cities—Jakarta, Bandung, Yogyakarta, Surabaya, Medan, and Palembang—to interview a total of 269 news sources who were young and well educated. From the results of the interviews many interesting matters were brought out.

According to tens of TEMPO sources in Yogyakarta, Bandung, and Surabaya, voters who supported Golput in the general elections of 1992 were larger in number than those who supported the PPP [Development Unity Party] or the PDI [Indonesian Democracy Party]. This was really a new development.

There were some people who think that Golput's basic support is city people who tend to have access to several sources of information. What was interesting in the interviews with TEMPO sources was that the number of Golput supporters in Jakarta—which is considered the information center for the country—was not as large, compared to other cities. Perhaps this is the result of the absorption of Golput supporters by the political parties and Golkar in Jakarta. It may be recalled that since 1989 Golkar has successfully attracted young people into the Dinamika Forum in Jakarta. These young people are the largest group in Golput.

The fact that Golput is larger in the other five cities, compared to Jakarta, may be explained by borrowing the theory of Daniel Dhakidae, who has done research on the behavior of Golput in the general elections of 1971. Previously, Dhakidae says, Golput originated in elite groups, both in terms of access to information as well as in their closeness to the centers of power. These people have a high level of political awareness.

However, Dhakidae believes that at present the "new" Golput no longer comes from elite groups but has "declined in class," both in social and political as well as in economic terms. He says that this is "a consequence of the trauma of bulldozer politics [in English in the text] or doing something without thinking." For example, it could be that the people of Kedungombo [a mythical city] support Golput as a result of the process of construction of water reservoirs which they feel is unjust.

Another result of the TEMPO interviews indicates that Golput supporters apparently are considered more politically aware, compared to the prospective voters of the two political parties and Golkar. When asked who are the legislative candidates who will sit in parliament in 1993, Golkar and PPP voters had the same level of awareness. Almost 25 percent of them know exactly who

Rachmat Witoelar, Abdurrahman Wahid, A. M. Saefudin, Admiral Sukardi, Kwik Kian Gie, or Jakob Tobing are. However, Golput supporters appear to be better informed about these candidates for parliament. Almost 40 percent of the Golput voters answered correctly as to who these candidates are. The most "serious" matter concerning candidates for DPR/MPR [Parliament/People's Consultative Assembly] is that PDI supporters were only able to identify 16 percent of the candidates.

Seen in terms of the general elections of 1982 and 1987, Golput voters are among those people who "stick" with their group. That is, a considerable number of the Golput voters were TEMPO sources who also voted for the "White Party" in the general elections of 1982. If indeed they changed their voting preferences, Golput supporters tended to move over to supporting Golkar, rather than the other two political parties. On the other hand the percentage of switching by Golput supporters to Golkar, between the two general elections, was equal to the number of PPP supporters who "went over" to Golkar. Meanwhile, the total number of PDI supporters who crossed over to Golkar was larger, that is, almost twice as many, as the number of Golput supporters who switched over to Golkar.

Seen in terms of age, the majority of Golput supporters are between 23 and 35 years of age. This group of voters has usually voted previously. From the point of view of occupation, the majority of people working for private companies choose Golput. The next largest category of Golput supporters are university and secondary school students. These data differ somewhat from the general impression that the source of Golput supporters is the academic world. However, this may also be due to the fact that the proportion of persons working for private companies was the largest category among voters who were sources of this research.

Why do people become Golput supporters? A 35 year old businessman who owns his own company said: "Because I regard the general elections as only a stage for the politics of deceit." This graduate of the University of Gadjah Mada in Yogyakarta has not voted since the general elections of 1982.

However, it appears that the government will not allow the percentage of Golput supporters to increase. On 25 May Rudini, the chairman of the PPI [Indonesian Elections Commission], and the leaders of the three political party groups decided to work to hold down the number of Golput supporters. According to Rudini, this is because Golput may cause disturbances.

## ECONOMIC

### OPEC Secretary-General Says More Oil Investment Needed

92SE0267A Jakarta PELITA in Indonesian 26 May 92  
p 3

[Text] Vienna (PELITA)—OPEC Secretary-General Prof. Dr. Subroto says Indonesia must attract more

investors in the oil industry, including both upstream and downstream processing. He says many countries need capital, and he estimates that about \$500 billion will be required.

According to a report last night from PELITA correspondent Eman Sulistiani in Vienna, Subroto said this in reply to a question about long-term OPEC planning. He was accompanied by OPEC Secretariat General official Dr. Nafrizal Sikumbang.

The OPEC secretary-general predicts that about \$500 billion will be needed between now and the year 2002 to increase oil production. This will encompass exploration as well as expansion of refineries and other support facilities, such as transportation, in both OPEC and non-OPEC countries. When long-term needs for gas, coal, and geothermal energy are added, capital requirements by 2002 will reach about \$3 trillion.

He said long-term OPEC planning takes several matters into consideration: world economic growth, the relationship of oil supply and available investment capital, geo-economic and political developments, and environmental problems.

Oil demand from 2005 to 2010 will be determined by world economic growth. The faster the growth, the greater the demand will be for energy and petroleum.

According to Subroto, the world economy is certain to grow. Two of the main factors are the growth of developing countries, which have four-fifths of the world's population, and an increase in population from the present 5 billion to 6 billion by 2005. "These two factors signal that international oil demand will grow."

#### Oil Supply

If annual world economic growth is between 2.5 and 3 percent, energy demand will increase by 1.9 percent annually and oil demand by 1.2 percent per year. In other words, demand will steadily grow.

The demand for oil from world supplies by communist [as published] countries is now 54 million barrels per day. A 1.5 percent increase means an additional 600 to 700 thousand barrels per day. In the next five years, demand will increase by 3.5 percent, which means that by 2002 (10 years) demand will increase by 700 to 800 thousand barrels per day, bringing requirements to 8 million barrels per day. If the present demand of 54 million barrels per day is increased by 8 million barrels, demand will be about 62 million barrels per day by 2002.

Subroto believes that non-OPEC production has peaked and is beginning to decline, particularly because production has begun to drop in the United States, the former Soviet Union, and the British part of the North Sea. It must be noted, however, that there are new producers, such as Papua New Guinea, Vietnam, and Cambodia, and that, in the Middle East, Yemen and Syria will be important suppliers. Moreover, large reserves have

recently been discovered in the Latin American countries of Colombia and Argentina. "Because some producers are reducing output and others are expanding, production is expected to remain the same."

Non-OPEC production is now at 29 million barrels per day, while OPEC is producing only 23 to 24 million barrels per day. It is expected that by 1995 their production will be nearly the same. OPEC will increase production, while non-OPEC countries will drop a little. Their production may become fully the same in the next century.

#### Main Factors

Reserves, capital, and time are factors OPEC must face over the next 10 years if it is to make the needed increase of 8 million barrels per day.

Reserves are not actually a problem, since 77 percent of the world's oil reserves, or 770 billion barrels of approximately 1 trillion barrels, are in the hands of OPEC countries. To turn them into oil, however, requires no small amount of technology and capital.

OPEC countries will need about \$120 billion to raise production by 8 million barrels per day, and non-OPEC countries will need about \$130 billion. Simply to maintain production at current levels, about \$250 billion will be needed for upstream operations alone.

Approximately \$500 billion will be needed if the expansion is to include refineries (downstream processing). "That amount is limited to oil. If other energy sources are included, capital requirements will reach \$1 trillion," the OPEC secretary-general said.

He said that the \$1 trillion would cover energy needs only until 2002 and does not include the capital needed by developing countries in Asia, Eastern Europe, and the former Soviet Union for their own development. The question is whether funds are available to increase oil production to satisfy world demand.

Geo-economic and geopolitical developments raise other questions for OPEC consideration. An interesting geo-economic matter is the formation of regional cooperation in the form of ASEAN, EEC, APEC [Asia Pacific Economic Community], and NAFTA [North American Free Trade Area].

#### New Petrochemical Plants Built

92SE0268A Jakarta EDITOR in Indonesian 30 May 92  
pp 79, 80

[Text] People may have predicted 1992 to be a difficult year, but that does not apply to industrialists like Hashim S. Djojohadikusumo and Henry Pribadi. The fact is that these two young industrialists are establishing polypropylene projects, which are a type of basic industry for making raw materials for plastic and which require big investments. Hashim plans to build a plant at Indramayu, while Henry has built at Cilegon.

In fact, the plant belonging to Henry and colleagues in PT [Limited Company] Tri Polyta Indonesia is ready to start production. The plant, located in Cilegon, West Java, was inaugurated by President Suharto on Monday of this week [25 May] along with 22 basic chemical industry plants in 10 provinces. PT Tri Polyta is a joint venture by Henry, Sudwikatmono, Ibrahim Risyad (Astenia Group), Bambang Trihatmodjo (Bimantara Group), and Prayogo Pangestu (Barito Pacific Group). Total investment in the plant is \$220 million (about 440 billion rupiah). About \$170 million of that amount was provided through loans from a government bank and a syndicate of 14 Japanese banks coordinated by the Industrial Bank of Japan. Astenia and Bimantara hold 44 percent of the stock in the new project, while Barito owns 12 percent.

The factory, which has a production capacity of 200,000 tons, is the first polypropylene plant in Indonesia. Polypropylene is in the form of plastic pellets and is used as a raw material for a number of plastic products, from plastic bags, bottle packaging, automotive interiors, to carpeting. Until now, this raw material has been imported.

"With the completion of the Tri Polyta plant, we will save about \$160 million in foreign exchange every year," said Henry Pribadi, who is principal director of PT Try Polyta Indonesia.

He said that Indonesia has been importing 200,000 tons of polypropylene annually. "Tri Polyta's becoming operational means that all of Indonesia's polypropylene needs will be met by domestic production," said Director General for Basic Chemicals Wardiyasa.

How will its price compare with the price of imported materials? "We are prepared to compete. Its price will be the same as for imports," Henry responded quickly. He promptly added, however, that he will ask for government protection if foreign competitors dump their products. He is especially concerned about Korean companies. "If their prices are fair, we will not request protection. If prices are not fair, however, it will be hard for us as newcomers to compete," he said. They have recouped their investments, Henry added. All they have to do now is scoop up the profits, whereas Try Polyta is just beginning. Henry estimates that under normal conditions his project will repay investments in nine years.

Polypropylene prices now range from \$700 to \$800 per ton. The Asian countries that have rapidly developed this industry are Korea, Japan, Thailand, Malaysia, and Singapore. Henry is not discouraged and is ready to vie with his ASEAN competitors. "Korea is very aggressive in petrochemicals. In fact, they have just added six more petrochemical centers," Henry stated.

Indonesia is a big market that long has been eyed by the world's petrochemical industry. It is not surprising that the big foreign and domestic companies have all been trying to set up plants. The industry has also been a target of PT Chandra Asri (CA), an olefin company

owned by Prayogo Pangestu, Henry Pribadi, and Bambang Trihatmodjo. CA will be producing a variety of basic petrochemical products. These products include propylene, which until now has been imported by PT Tri Polyta.

CA, which is 100 percent PMA [foreign capital investment], will manufacture upstream petrochemicals such as propylene, ethylene, and butadiene. Tri Polyta is one of the olefin center's potential customers. Another is PT Petro Kimia Nusantara Interindo (PENI), which will be making polyethylene. PENI is jointly owned by Sigit Harjojudanto and British Petroleum Chemicals Investment (BPCI), Ltd., and is now completing a polyethylene plant with an annual capacity of 200,000 tons at Anyer, West Java. The plant is scheduled for completion at the end of this year. These petrochemical plants, along with PT Asahimas Subentra Chemical, a manufacturer of raw materials for plastics (including ethylene dichloride) that needs about 30,000 tons of ethylene per year, will be supplied by CA from Cilegon, an area often mentioned as a future Indonesian petrochemical industry complex.

According to the BKPM [Capital Investment Coordination Board], 14 companies have filed applications to build petrochemical plants, three of them under PMA [foreign capital investment].

Total projected investment is almost 9 trillion rupiah. Because of its ample supplies of raw materials (gas and naphtha), many foreign industrialists view Indonesia as having great potential for the petrochemical industry.

"Therefore, the world's petrochemical companies will always endeavor to keep us from entering the industry," Henry said. He said he started trying five years ago. After talking for two and a half years with the Union Carbide Corporation (UCC) of the United States and offering to pay royalties, he reached an agreement to make only polypropylene. "We pay high royalties to UCC. We pay 1 to 2 percent of annual sales revenues for 10 to 15 years," he declared.

It appears that Tri Polyta, which uses UCC's "Unipol gas phase technology," will immediately have a new competitor: PT Polyrama Propindo, a joint venture by Hashim S. Djojohadikusumo, son of economist Prof. Dr. Sumitro Djojohadikusumo, and BPCI.

With an investment of \$230 million (about 260 billion rupiah), the joint venture plans to build a polypropylene plant at Indramayu, Cirebon.

The plant, which is to be built on a 10-hectare site, is being located at the eastern border of West Java so that it will be near the export-oriented refinery there.

Polyrama Propindo is scheduled to begin operations in 1994 with an annual capacity of 100,000 tons.

Hashim (head of a number of companies, including PT Cibinong Cement, and owner of the PT Prima Comexindo Trading group) entered the petrochemical business through PT Tirtamas Majutama.

## SOCIAL

### Increase in Muslim Pilgrimage Expected

92SE0271A Jakarta EDITOR in Indonesian 30 May 92  
pp 55, 56

[Article by Rachmat Hadebae: "Even Though It Is Expensive, the Number of Interested Persons Is High;" first paragraph is editorial introduction]

[Text] The number of pilgrims to the Muslim holy places is increasing. Is it possible that pilgrims will be transported by sea?

There will be 106,722 Indonesians going on the pilgrimage to the Muslim holy places in 1992. This does not include those who go on their own, whose number is estimated at 3,500. Perhaps this is the largest Indonesian pilgrimage recorded to date. In 1991 the number of pilgrims was 79,564. H. Munawir Sjadzali, minister of religion, said: "All of this is due to the success achieved so far in economic development in Indonesia." He made this statement when he said goodbye to the first group of pilgrims at Halim Perdana Kusuma Airport in Jakarta.

The total number of pilgrims is divided into 240 groups. Each group includes 480 pilgrims. There is rather more room than in 1991, when each group included 500 pilgrims. Doctor Amidhan, director general of the Office of Islamic Community Development and Pilgrimage Affairs in the Department of Religion, said: "We have deliberately made the number of persons in each group the same as the standard number of seats in the aircraft, so that the pilgrims will be seated comfortably."

The increase in the number of pilgrims in 1992, in addition to showing improvement in the economic level of the Muslim community, also shows the high level of religious awareness among the people. It is because of that circumstance that H. M. Yusuf Amirulhaj, chairman of the BPK [Board of Pilgrimage Affairs], told Indonesian pilgrims to behave with a spirit of self-sacrifice and not to think of other matters. The former commander of the Armed Forces stated: "Our objective is to perform the religious obligation of the pilgrimage, and not to go shopping or travelling around, wasting time."

Indeed, going on the Muslim pilgrimage is not a form of recreation. However, performing this duty in response to the call of the Prophet Ibrahim is the first of the five basic principles of Islam. This is a special duty which requires effort, expense, and some self-sacrifice. Because of that every pilgrim always has the objective of being a perfect pilgrim—a pilgrim approved by God. And also because of that objective there are many people who intend to make the pilgrimage again, when the pilgrimage season begins. Although there are rather substantial obligations, there is a spiritual satisfaction which demands that it be done. A total of 4,837 of the 1992 pilgrims had previously made the pilgrimage.

For this reason many people suggest that making the pilgrimage by ship be resumed. In 1992 a pilgrim leaving on his second pilgrimage said: "Well, if there were a pilgrimage using a ship for travel to the holy land, there would certainly be many people who would sign up. This is because the cost would certainly be less than travelling by air."

Clearly, if this happened, there would be far more Indonesian pilgrims. It could be that the Indonesian total would be greater than the number of Iranian pilgrims who will be the largest group in 1992—about 150,000. However, according to H. Muhammad Muas, deputy chairman of Committee IX of the Indonesian Parliament, it seems that it is impossible to arrange for the pilgrims to travel by sea. He said: "Our pilgrims have to travel the farthest, compared to those from other countries. Therefore, it would be impossible to cover this distance by ship."

Nevertheless, according to Z.A. Noeh, why not transport the pilgrims by ship? In 1974, when he was a member of a team studying the pilgrimage, he suggested that travel by ship be resumed. Why? He said: "When Indonesians want to make the pilgrimage, that is their pilgrimage year. All other activity can be put off." Therefore, for Indonesians it is not a question of whether the pilgrimage takes a long time or not.

The results of research by the former expert on the staff of the minister of religion can be used as a basis for discussion. Because whatever the situation, the religious spirit born of a great faith in God will not be affected by space and time. Therefore, when a person wants to go on the pilgrimage, all other matters can be put off. The history of the travel of our pilgrims, which began by using ships, has proved how great are the spirits of our pilgrims. In this connection they must endure months of travel. If the cost of making the pilgrimage is high, this forces our pilgrims to make the minor pilgrimage to Mecca [taking two weeks]. An observer said: "Perhaps this could be done by arranging for the pilgrims to travel by ship, which is relatively cheaper."

Indeed, making travelling by sea to make the pilgrimage, which was previously handled by PT [Limited Company] Arafat, Inc., was considered a failure, from the management point of view. However, it was not for this reason that the government so far has not turned over arrangements for the pilgrimage to private firms, either by sea or by air. The facts have proved that there are pilgrimage travel bureaus which are effective enough, both from the service as well as the management points of view. Dr H. Tarmizi Thaher, secretary general of the Department of Religion, said: "However, it is felt that it is too soon to turn the whole matter over to the private sector, except on the basis of cooperation with the government."

Still, if we look at state financial legislation (which provides that the state will never sell its services), whether we like it or not, the question of travel by

pilgrims must eventually be handed over to the private sector. This is because, however you look at it, the government, as a supervisor, is unsatisfactory if it also acts as an operator. On this basis there is a strong reason for pilgrimages by sea to be handled once again by the private sector. Furthermore, the pilgrimage legislation left over from the Dutch colonial period—because so far there is no pilgrimage legislation promulgated by the Indonesian Government—dealt with pilgrimage by sea. Minister of Communications Azwar Anas said: "Yes,

that may be true. However, there are no ships available. If there are private firms which want to make these arrangements, let them go ahead."

Azwar Anas said that the Department of Communications would be happy if there were private firms which would be willing to handle the pilgrimage by sea. He concluded: "We have no objection if indeed there were companies prepared to do it." Here is a challenge for transportation companies.

## ECONOMIC

### Electronic Industry Seeks To Enter EC Market

92SE0282A Duesseldorf *HANDELSBLATT* in German  
13 May 92 p 19

[Article by George Weishaupt: "Malaysia Wants a Ticket for the Internal Market"]

[Text] Kuala Lumpur—Several thousand women are sitting one after the other at the assembly line in the air-conditioned hall. Some are veiled, others wear Western clothes. They are busy inserting and fastening speakers and mouthpieces, circuit boards, and other electronic components into blue plastic housings. At the end of the line the finished telephones are being packed in foil and cartons.

The factory on the outskirts of the Malaysian capital of Kuala Lumpur belongs to the Sapura Group. The enterprise, with areas of concentration in the telecommunications and cable and metal industries, is considered to be one of the Southeast Asian country's showcase companies in the electronics business. Government authorities cite it as an indicator of the transformation of Malaysia from a developing country into a newly industrialized country. In point of fact, the enterprise differs from others in the country in one essential aspect. Rameli Bin Musa, vice chairman of the executive board of parent company Sapura Holding, proudly explains: "We are the first local company that possesses its own research and development capacity."

While even companies in the NIC (Newly Industrialized Countries) such as Hong Kong, Taiwan, Singapore, and Korea are investing heavily in R & D, this is still the exception in Malaysia, and this has to do with the industrial structure. Indeed, the electronics industry does about 70 percent of its business in semiconductor components—though the trend is downward—and it is regarded as one of the largest semiconductor exporters in the world. For one thing, this production entails only little value added—15 to 20 percent—and is furthermore firmly in the hands of foreign companies such as Intel, Motorola, NEC, Sony, and Siemens.

Foreign investors were attracted by the government's targeted policy of encouraging the establishment of industry by recruiting with free trade zones, low wages, tax concessions, and cheap real estate prices. As a result, companies primarily from Japan, the United States, Southeast Asia, and Germany established operations there—particularly in the industrial regions around Penang in the north of the Malaysian Peninsula and in the region around Kuala Lumpur. Almost no supply relationships have developed among the foreign investors and Malaysian companies. Most materials and components are imported and finished components are then exported.

No wonder that the Malaysian electronics industry still has a great deal of catching up to do in research and

development. Sapura, which began operations in 1975 manufacturing under license for Siemens and Bell Telephone, was able to make a good profit in the 1980's from the production of standard telephones for the government-owned Malaysian Telecom. It is evident to Rameli Bin Musa that Sapura will only be able to hold its own if it "offers higher-quality products of its own development on the world market."

The preparations for doing that have been made. Sapura's subsidiary cable company intends to produce glass fiber for the country's domestic telecommunications network. Rameli Bin Musa has high hopes because in the future, in addition to mobile telephones for the domestic market, Sapura will begin producing its own pagers at its subsidiary Komtel in late 1992. These are devices the size of a cigarette pack that show alpha-numeric messages transmitted by radio on a display. This will support activities in its own paging network which, with 25,000 subscribers in Kuala Lumpur (plus 5,000 elsewhere), serves half of the market. Radio communications are regarded as a vitally necessary supplement to the Malaysian telephone network that thus far only serves 9 percent of the more than 18 million inhabitants (western Germany: about 49 percent).

Also among the things that Rameli Bin Musa is pinning his hopes on is a telephone with [built-in] speaker-phone equipment, user charge logging, and extensive data storage capacity. Production capacity for the telephone—according to the company's own claims, the first voice-activated telephone in the world—is to be increased from the current 16,000 to 25,000 to 30,000 telephones after a new factory is opened.

Despite low wages—Sapura workers receive monthly wages of about 500 ringgit (approximately 325 German marks [DM])—many production steps that are currently done by hand will be automated. Nonetheless, Wan Shaharuddin, head of the International Business Division at Sapura, assures that none of the group's 2,600 workers will be let go. Family ties in Malaysian companies are too strong for that, he emphasizes in the conference room where the gold-framed portrait of a smiling Puan Sri Datin Siti Sapura, the wife of company founder Tan Sri Shamsuddin, watches from the wall over the employees' welfare.

Wan Shaharuddin belongs to a young generation of Malaysian managers who have studied business administration, electrical engineering, and data processing in the United States, Japan, and the United Kingdom. They are well educated, speak fluent English and Malay as well as one or two other local languages (Indian, Chinese) and are trying to apply Western management dynamics to Malaysian enterprises. Practical application down to the production level is not always successful, however, something which may have to do with the tropical climate. Delivery of the new generation of telephones has been delayed at Sapura by about three months because initially about 90 percent of the circuit boards produced were unusable.

Because many of the young Malaysian electronics companies are having difficulties with new technological developments, the Malaysian Institute of Microelectronic Systems (MIMOS) was founded. It is intended to help domestic industry advance in the fields of telecommunications, computer systems, industrial technology, product development, and semiconductor technology. Its staff and financial resources are still very limited and the approximately 100 people employed in research and administration (there are to be 288 by 1995) have only about 15.6 million ringget (about DM10.2 million) at their disposal. Projects such as the planned establishment of a semiconductor center undoubtedly lie far in the future. MIMOS president Dr. Arif Nun concedes that "MIMOS cannot compete with similar research establishments, for example in Taiwan, where about 1,800 people are employed. Compared with Taiwan, we are still about 10 years behind." For the time being then, MIMOS is concentrating on developing circuit boards for domestic industry. Nun feels that at a price of 2,500 ringget for a new semiconductor design, MIMOS services are also commercially interesting for foreign companies. Furthermore, the institute tries to win over Malaysian firms for cooperative R & D joint ventures. Dr. Zawawi-Ismail, vice president of the university in Kuala Lumpur, explains that this is a difficult process, however, "because the mentality of the populace, from the dealer to the product developer, still has to change."

The local electronics industry also has yet to learn export marketing. Higher-end products can simply be sold better in the United States, Japanese, and European

markets. The companies receive support from the government's Mexpo (Malaysian Export Trade Center) organization which establishes contacts and arranges trade fair appearances through its offices abroad. Due to the growing importance of the export business, Mexpo is to be strengthened beginning in 1993. Its budget will be increased from 5 million to 25 million ringget and the number of staff from 40 to 200. The Sapura Group's export business is likewise still modest. Only between 5 and 10 percent of its sales of 342 million ringget (about DM222.3 million) were made overseas. The group, which according to its own data achieves a 10-percent before-tax profit on sales, took an important step for the internationalization of its business with the establishment of Sapura (Europe) GmbH in Nuremburg. To be sure, the German start-up did not go according to plan because instead of the desired 50,000 voice-activated telephones, only 2,000 could be delivered from Malaysia. Yet Managing Director Guenther P. Fandrich remains optimistic: "With Germany as a base—the most difficult market for telecommunications products—we will open up the European market in the long term." Sapura will also apply for a German radio license for mobile receivers for the purpose of setting up a competing network to the German Federal Postal System's [Deutsche Bundespost] City Call Service.

Company founder Tan Sri Shamsuddin is already looking for "production opportunities in Europe" because "we need a ticket to participate in the European internal market." It remains to be seen whether Sapura and other ambitious electronics firms from the newly industrialized tropical country can take the Japanese and Korean path.

## MILITARY

### Key Aide to Isaraphong Interviewed

92SE0276A Bangkok NAE0 NA in Thai 4 Jun 92 p 5

[Interview with Chief of Army Civil Affairs Major General Thongchai Kuasakun by NAE0 NA; place and date not given]

[Text] [NAE0 NA] What steps are being taken to improve the military's image in the eyes of the people?

[Thongchai] We are very concerned by the fact that the people have a negative image of the military as a result of the events that took place in May. The military must take steps to regain the people's trust. We want the people to understand that with respect to what happened, we have to look at the facts and see if those involved intended to take such action. As a soldier who is involved in civil affairs activities, I can affirm that what happened was more an accident. Those involved did not take that action intentionally. However, even though soldiers did not do that intentionally and we have taken action, I feel very sorry and am very concerned about those who were injured. But the question is, what can be done to get the people to understand? Because no one wants such violence to occur again. Everyone was in a different position. It must be admitted that in that situation, the soldiers who were confronting the demonstrators were worried. They were tense and hungry. And most important, they were afraid. At that time, there were rumors that people were going to drive a gasoline truck through their lines and burn it. The soldiers there were frightened and afraid that they were going to die. By instinct, they took action to defend themselves. That is why what happened happened. But I can affirm that the soldiers did not do that intentionally.

I admit that if a large number of people were killed, that occurred when soldiers fired on the gasoline truck. When the gasoline truck drove up, the soldiers had to fire at the tires. But when it failed to stop, they had to keep firing. Some may have missed the truck and hit people nearby. A single bullet can ricochet and wound up to three people. One magazine of bullets is enough ammunition to hit a hundred people. But the soldiers did not fire at people intentionally. They were trying to protect themselves. If they had intended to fire at the people, a huge number would have been killed.

I want the people to understand that all of us feel very sorry. But in view of the fact that this was not done intentionally, what I am worried about is that people will continue to view this from the standpoint that there must be a winner and a loser. I hope that everyone will heed the words of the king and turn towards each other to solve the problems in a peaceful way. We must forgive each other. If people can't forgive each other, Thailand won't survive. I don't think that the view that one side must destroy the other is a suitable way of life for Thai society. That is an evil feeling. An appropriate way of life for Thai society is to love solidarity, solve the problems

peacefully, and forgive each other. This is in accord with the Buddhist path and the statements made by the king. That is what we want to see. And we want people to understand our true feelings.

[NAE0 NA] There are some politicians who still don't understand the military. What do you think about that?

[Thongchai] As for politicians, about 90 percent are remaining quiet. But some, about 10 percent, still feel that way and are trying to use emotion to solve the problems. What they don't realize is that using emotion to solve the problems will spell disaster for the country. The country is already in a very difficult situation. Businessmen have come forward and said that the country is in dire straits. Hotels with 300 rooms have only four to five guests. In view of what has happened, why don't we try to work together to solve the problems? If people remain angry at each other, the turmoil will just continue.

If a politician feels that destruction is a game, I would like to ask him to show some sympathy for the people. Even if he doesn't have any sympathy for soldiers, he should show sympathy for the people, the country, and economy, which is declining. He should stop what he is doing. My question is, if someone has been killed, what good will it do to kill more people? Isn't it better to forgive each other and work together to solve the problems? We shouldn't think about who was right and who was wrong, because there is no way to determine that at this time. That is the best way.

[NAE0 NA] As a member of the extraordinary committee to investigate the "savage May" events, do you have any advice?

[Thongchai] This committee was established by parliament and has been charged with investigating what happened. This parliamentary method is one way of solving the problems. But initially, all that will be done is to stipulate which matters will be investigated. Things have already been stipulated. As a member of this committee—but not as a representative of the military—I will give my views and make recommendations. We have made preparations to form subcommittees, which will be responsible for investigating different matters. As a soldier, I am not depressed by the fact that I am involved in investigating mistakes made by the military, because facts are facts and lies are lies. There have been many rumors, and there has been much confusion. If we have facts to explain what happened, that is the best way to conclude this matter.

Actually, I was not in favor of forming this extraordinary committee, because I felt that these things should stop. If we try to dig up things or cause problems for some faction.... But there had to be an investigation to see if anyone had done anything wrong. Because no one could be found, the matter would have ended, with people heeding the words of the king. But if we establish this or that, it means that we will be looking for wrongdoers again, and so things may not stop. As long as the



investigation continues, the matter will just continue. Also, I am not sure that this committee will complete its term. There may be changes, because parliament may be dissolved.

[NAEO NA] Some people are demanding that charges be filed against the commanders of all the branches of service and other senior officers. What is your view on this?

[Thongchai] As for whether it is necessary to investigate a particular person, we have to look at their intent. The matter of intent is very important. The senior military officers who are the targets of these accusations are the top leaders in the military. As military heads, they are willing to accept responsibility. But I want to say that that confrontation between the soldiers and the people was an accident. That was not intentional. That is now in the past. If we focus only on solving the problems using legal means instead of adhering to the principles of statecraft, that is, compromise and a willingness to face each other, the attempt to find wrongdoers will just sow dissension among us. And if an officer is found to have done something wrong, we will also have to see who started the riot. Those who were behind the riot will have to take responsibility. Those who started this initially hoped to hold a peaceful demonstration. But the peaceful demonstration turned into a riot that they couldn't control. They must take responsibility for that. If we go deeply into all that, it will never stop. We will look at those who started this and then look at the military again. Then, attention will be focused on the government again. I think that we should stop now, because all sides were wrong and all sides were affected. In solving the problem, there is both right and wrong. The king made a very important statement. Thus, all sides should turn toward each other, because if we go into this more deeply, we will just move farther apart from each other. No one is always right. At present, the side with the advantage is the one that makes the accusations. But once the other side has established its position, it will start making charges. Fighting like this is not good for the solidarity of the people in the country. We should be taking steps to build solidarity. We should turn toward each other and learn to forgive each other. That would bring this to an end. I can assure you that the commanders ordered the troops not to fire on the people. But once things started, we don't know what actually happened. We don't want to blame the soldiers. But the commanders are responsible even though they did not order that and were in the strategy room. But once that started, the soldiers there became frightened and used the weapons available.

[NAEO NA] What will happen politically?

[Thongchai] At present, I don't know what will happen politically. The speaker of the House of Representatives has postponed submitting the name of the next prime minister. And various mass power groups are still showing their power and voicing their opinions. These are unprecedented splits within the country. The present

government certainly won't be able to survive. But the most important thing is that certain segments of the population detest and are dissatisfied with the military and Police Department. And certain segments have created a negative image in the eyes of people in general. Thus, the time has come to build solidarity and heed the words of the king. This is the way to solve the problem. As for soldiers, we must help think of a way to work together, regardless of whether we are soldiers or policemen, in order to foster solidarity and regain the trust of the people. What can we do to restore the military and police to their position as important pillars of the nation that support the institutions of nation, religion, and monarchy and that defend the system of democracy with the king at the head? What can we do to show people that during Thailand's long history, which reaches back 700-800 years, the military has always stood side by side with the people and been faithful to the nation? I don't want an answer to these question. What I want is worthwhile action. We are at a starting point and must review what is right. Because in view of what has happened, we want what is right based on the principles of law and the democratic process. Pride may not please everyone. But today, the truth is being distorted. In the future, there may not be good people who will come forward to help govern the country, because everyone will be afraid. Those groups that are trying to profit will have a good chance of rising to the top and ruling the country. We can't allow that to happen.

However, today, we must look at ourselves to see what we can do to regain the trust of the people. I hope that my fellow officers will realize that there is now a crisis of confidence. We must all think about how to solve this problem.

#### **Army Division Command Slots by Class Noted**

92SE0242A Bangkok MATICHON SUT SAPDA  
in Thai 24 Apr 92 p 9

[Text] The transfers on 1 and 7 April not only affected the Army command, consisting of the Army commander in chief, deputy Army commander in chief, assistant Army commander in chief, and Army General Staff, but also the combat arms.

In the combat arms, the transfer resulted in General Chainarong Nunphakdi becoming 1st Army Regional commander, Major General Surayut Chulanon becoming a lieutenant general and for the Special Warfare Center commander, Major General Samphao Chusi, to become a lieutenant general as the commander of the Army's Air Defense command, and Major General Yutthaphan Makonmani to be a lieutenant general and I Army Corps commander.

The shuffle creates a new structure for the combat arms which requires another review as it is the period when General Itsaraphong Nunphakdi takes over the Army commander in chief post.

#### Army Region and Equivalent Unit Commanders

The 1st Army region commander is Lieutenant General Chainarong Nunphakdi, a member of Chulachomklao Royal Military Academy [CRMA] Class 11; previous positions included Military Preparatory School commander (October 1988), 2d Infantry Division, Royal Guard commander (October 1989), 1st Division, Royal Guard commander (October 1990), I Army Corps commander (October 1991), and 1st Army Region commander (April 1992).

The 2d Army region commander is Lieutenant General Ariya Ukosakit (CRMA 5); previous positions included 1st Cavalry Division commander (October 1984), assigned to the Army Headquarters (October 1988), II Army Corps commander (April 1990), Territorial Defense Department commander (October 1990), and 2d Army regional commander (October 1991).

The 3d Army region commander is Lieutenant General Phairot Chan-urai (CRMA 5); previous positions included 1st Cavalry Division commander (October 1985), 3d Army region deputy commander (October 1988), assigned to the Office of the Supreme Commander Headquarters (April 1989), assigned to Supreme Command Headquarters (October 1989), and 3d Army Region commander (October 1990).

The 4th Army region commander is Lieutenant General Kittit Rattanachaya (CRMA 8); previous positions included 5th Infantry Division commander (October 1985), 4th Army region deputy commander (October 1988), and 4th Army region commander (April 1991).

The Special Warfare Center commander is Major General Surayut Chulanon (CRMA 12); previous positions included assigned to the Permanent Secretary Office, Defense Ministry (October 1987), assigned to the Army Headquarters (October 1988), 1st Special Warfare Division commander (April 1989), Special Warfare Center deputy commander (July 1990), and Special Warfare Center commander (April 1992).

The Air Defense commander is Major General Samphao Chusi (CRMA 12); previous positions included Anti Aircraft Artillery Division commander (October 1990), and Air Defense Division commander (April 1992).

#### Corps Commanders

The I Army Corps commander is Major General Yuthaphan Makonmani (CRMA 5); previous positions included Army expert [sic] (October 1987), Cavalry Center commander (October 1988), 2d Cavalry Division commander (October 1991), and I Army Corps commander (April 1992).

The II Army Corps commander is Lieutenant General Chettha Thanacharo (CRMA 9); previous positions included 6th Infantry Division commander (October 1988), 1st Army Regional deputy commander (October 1990), and II Army Corps commander (October 1991).

The III Army Corps commander is Lieutenant General Yingyot Chotiphimai (CRMA 6); previous positions included 3d Army Region Chief of Staff (October 1986), 3d Army Region deputy commander (October 1989), and III Army Corps commander (October 1991).

#### Division Commanders

The 1st Division Royal Guard commander is Major General Thitiphong Chennuwat (CRMA 11); previous positions included 2d Infantry Division, Royal Guard commander (October 1990), and 1st Division, Royal Guard commander (October 1991).

The 2d Infantry Division Royal Guard commander is Major General Phanom Chinawicharana (CRMA 11); previous positions included military Preparatory School commander (October 1989), and 2d Infantry Division Royal Guard commander (October 1991).

The 9th Infantry Division commander is Major General Suwinai Boribunnangkun (CRMA 11); previous positions included 4th Development Division commander (October 1990), and 9th Infantry Division commander (October 1991).

The 11th Infantry Division commander is Major General Noppakhun Khanthathim (CRMA 10), appointed in October 1991.

The 3d Infantry Division commander is Major General Rewat Bunthap (CRMA 13); previous positions included 12th Infantry Division commander (April 1991), and 3d Infantry Division commander (April 1992).

The 6th Infantry Division commander is Major General Prasoet Phakcharoen (CRMA 11), appointed in October 1990.

The 12th Infantry Division commander is Colonel Sanan Maroengsit (CRMA 14), appointed in April 1992.

The 4th Infantry Division commander is Major General Sommai Wichawon (CRMA 11), appointed in October 1990.

The 5th Infantry Division commander is Major General Winit Krachangson (CRMA 9); previous positions included 12th Infantry Division commander (October 1989), and 5th Infantry Division commander (April 1991).

The 15th Infantry Division commander is Major General Wisan Kanitthanon (CRMA 9); previous positions included staff officer for the commander (October 1989), assigned to the Army Headquarters (April 1990), and 15th Infantry Division commander (April 1991).

The 16th Infantry Division commander is Major General Bunchu Samonroek (CRMA 9), appointed in October 1991.

The Air Defense Artillery Division commander is Major General Thakoeng Mungthanya (CRMA 13); previous

positions included Air Defense Center commander (October 1991), and Air Defense Artillery Division commander (October 1992).

The Artillery Division commander is Major General Udom Hemwichit (CRMA 12), appointed in October 1991.

The 1st Cavalry Division commander is Colonel Wathanachai Chaimuanwong (CRMA 12), appointed in April 1992.

The 2d Cavalry Division commander is Major General Kamon Sakhun (CRMA 9); previous positions included 1st Cavalry Division commander (October 1991), and 2d Cavalry Division commander (April 1992).

This indicates that there are two CRMA 5 graduates, one CRMA 8, one CRMA 11, and two CRMA 12 at the Army region and equivalent unit commander level.

At the Army Corps commander level, there is one CRMA 5 graduate, one CRMA 6, and one CRMA 9.

Among commanders of 17 divisions, there is one CRMA 8 graduate (5.26 percent), three CRMA 9 (15.79 percent), one CRMA 10 (5.26 percent), five CRMA 11 (26.32 percent), four CRMA 12 (21.05 percent), two CRMA 13 (10.53 percent), and one CRMA 14 (5.26 percent).

## ECONOMIC

### Article Views Joint Vietnamese Trade

BK3006035592 Bangkok *THE NATION* in English  
30 Jun 92 p B2, B3

[by David Stifel of Thailand Development Research Institute]

[Text] The United States' linking of assistance from multilateral financial institutions, and the lifting of its embargo, to the settlement of the Cambodian conflict, appears to have pressured Hanoi into seeking a resolution to the conflict. For their part, the Chinese have also been willing to proceed cautiously with peace efforts. As the former Chinese Vice Foreign Minister, Han Nianling, told Vietnam expert Nayan Chanda in 1980, "It is only when the Soviets can no longer support the Vietnamese that a political solution to the crisis will be possible." That condition has now been met.

Shortly after the signing of the comprehensive Cambodian political settlement in Paris on Oct 23, 1991, Vietnam and China normalized relations and talks between Hanoi and Washington commenced. The period of economic collapse had forced the VCP [Vietnamese Communist Party] leadership to adopt a foreign policy conducive to economic interaction with the outside world. The fundamental impetuses behind this shift—over a decade of economic mismanagement and

the drying up of Soviet assistance—have left the Vietnamese with no choice but to seek amicable foreign economic relations with other countries.

Until recently, Thai-Vietnamese relations have been wrought with tension. The belligerence of Vietnamese foreign policy in the decade following the fall of Saigon prescribed Thai policy towards Vietnam. It also helped to legitimize the influence of the Thai military on the domestic political scene. The diminishing Vietnamese threat in recent years, plus pressures on the Thai infrastructure brought on by the surge in foreign investment since 1987, have hastened the improvement of relations between the two countries. Although there is evidence that factions in the Thai military continue to be suspicious of Vietnamese motives, civilian leaders now preach optimism about Thai prospects in Vietnam. Prime Minister Chatchai Chunhawan's aspirations to transform the Indochina region from a "battlefield" to a "marketplace" envisioned a leading role for Thailand in the development of these countries.

Thailand is still in an advantageous position to gain from the potential of the Vietnamese economy, but complacency appears to have limited these benefits thus far. Factors contributing to the difficulties Thais have encountered in Vietnam include: 1) personal distrust among the people, 2) lack of government initiatives and policy coordination, and 3) competition from other countries.

Before discussing these issues, we must first ask what Thailand wants from its relations with Vietnam. Many in the Thai government and private sector envisage the Kingdom acting as a "gateway" to Vietnam by providing financial, processing, and trade-related services. The Bank of Thailand (BOT), for example, has ambitious plans to turn Thailand into a financial hub for the whole region. Within the next few years, the Bank intends to establish an international banking facility to direct overseas funds into Indochina. Although these plans are, of course, aimed at benefiting Thailand, the BOT sees Vietnam as gaining as well, since Thai intermediaries would assume some of the risk, thus making it easier for Vietnamese entrepreneurs to attain international financing. The private sector has also contributed. Finansa Thai Limited, a small, Bangkok-based financial consultancy, is establishing a US\$20 million Indochina investment fund—the "Southeast Asia Frontier Fund." Finansa intends to invest the entire fund in Thailand, bypassing the uncertainties of the Vietnamese market until the US embargo is lifted.

The Board of Investment (BoI) is also formulating policy guidelines to promote Thai investment in Vietnam and the other Indochinese states. Possible incentives include income tax waivers for foreign exchange remittances from Thai investments abroad, duty waivers for imports of raw materials from Thai projects abroad, and exclusions from assessable income for operating profits of overseas investments. The ease with which Vietnamese

visas can be attained in Bangkok, and Thailand's proximity to Vietnam, are features making Thailand an attractive stepping-off point for multinational corporations interested in investing in, and trading with Vietnam.

The idea behind the BoI initiative is that Thailand and Vietnam can fit favourably into corporate strategies. Thailand can attract initial investments in low technology production facilities and, as the Thai economy progresses upstream, these labour-intensive processes can be shifted to Vietnam, leaving the more technology or capital intensive-factories in Thailand. An example of this is the Hong Kong-based garment company, Hua Fu, which established a factory (Hua Thai) in Thailand and has since moved part of its operations to Vietnam. This need not be exclusive to foreign investors. Thai companies can also take advantage of the low labour costs in Vietnam by moving their low-end production processes offshore, as Thai wages and costs inevitably rise. Thus Thailand has the potential of becoming a "gateway" to Vietnam for at least the short to medium term.

Following the announcement of Prime Minister Chatchai's Indochina initiative, Thai business activity with Vietnam picked-up rapidly. As can be seen from the table, the value of trade between Thailand and Vietnam in 1989 grew by about four and a half times the value of trade in 1988. These figures, however, pale in comparison to the value of two-way trade between Vietnam and Singapore, Japan, Hong Kong, France, Australia, and South Korea, respectively.

The overall drop in Vietnam's exports in 1991, due to the collapse of the Soviet Union, was accompanied by the rapid growth of trade with all these economies. The bulk of this expansion came from Singapore, Japan, and Hong Kong—together accounting for half of Vietnam's trade in 1991. Singapore's trade with Vietnam grew from US\$182 million to US\$502 million. Even though actual two-way trade—between Thailand and Vietnam is undoubtedly underestimated, it does not approach the value of trade between these countries and Vietnam.

As of June 1991, Thailand was the twelfth largest investor, accounting for only 1.8 per cent of pledged capital (figures are not available on actual investment). Nearly 60 per cent came from Taiwan, Australia, France, and Hong Kong. These figures do not indicate whether the investments were made through third countries. It is, therefore, difficult to determine if neighbouring economies, such as Thailand, act as conduits. Yet it is clear that Thai investment in Vietnam has so far fared relatively poorly.

The first of the three factors, as discussed earlier, explaining this lacklustre performance is the historical, political, and cultural animosity which has engendered a general distrust between the peoples of Thailand and Vietnam. Regardless of the veracity of the accusations, the "ugly" reputation of Thai businessmen has not only hampered Thai business with Vietnam, but has also

raised questions over the viability of Thailand as an operations centre for MNCs [multinational corporations] in the sub-region; "foreign executives warn that being Thai-based can prove disadvantageous."

The Vietnamese leadership is wary of Thai business interests. They observe the way natural resources in the other Indochinese states and Burma are being extracted by Thai businessmen and fear the same may happen to them.

Smuggling of gems and poaching by Thai fishermen do little to alleviate Vietnamese apprehensions. The Vietnamese want to develop their own capacities to process raw materials. They value Thai experience in agro-industry, aquaculture, and gems, but fear that the illicit trade and business activities taking place undermine their own efforts. In a move apparently directed the mining of gems, but did urge foreign organizations and individuals to invest in processing facilities. [sentence as published]

Second, despite the rhetoric of the Chatchai administration, Thailand has yet to be transformed into a "springboard" or "bridge" to Vietnam. The government failed to take advantage of this early initiative. The BOI, for example, was bogged down with investment applications until 1991 and has only recently begun defining its strategy toward Vietnam. The first round of foreign exchange liberalization—though not directed at investment in Vietnam alone—did not take place until May 1990.

The continued reform of the Thai financial market and banking system helps to facilitate Thai investment flows, but it will take time for these markets to mature—time is not on Thailand's side, however, given the competition from its Asian neighbours and the industrial economies.

Third, the Asian NIEs (newly industrialized economies) and Malaysia are giving the Thais a run for their money in Vietnam. Until recently, Thailand held an absolute advantage over its regional neighbours. Bangkok was the only gateway for direct flights from the non-socialist world to Hanoi and Ho Chi Minh City. Today, however, Cathay Pacific—Hong Kong's de facto flag carrier—has nine weekly flights to Vietnam, Singapore Airline has six, and Malaysia Airlines two. And, as the Vietnamese rush to open a consulate in Hong Kong to process visas, Thailand's remaining advantages are weakening.

While Singaporean investors maintain extreme caution in investing in the Vietnam market, Hong Kong, Taiwan, and—recent evidence suggests—Malaysia are taking advantage of the US embargo to gain footholds there. Cantonese and Fukienese entrepreneurs from these countries use their ethnic ties with Vietnam's Chinese to launch business ventures.

Now that the refugee situation and deference to China no longer inhibit Hong Kong from improving its relations with Vietnam, the colony has become an appealing location for multinational corporations to base their

Vietnam headquarters. Hong Kong's attraction stems from its well developed financial and telecommunications systems, its efficient duty free port, and its energetic investing class—well versed in dealing with reforming socialist countries.

The Asian NIEs and Malaysia all have advantages over Thailand. Their leadership has remained stable and the sustainability of policies is not at issue. Furthermore, these countries—especially Singapore—provide successful models of growth and social discipline for the Hanoi government. Their "authoritarian-pluralist systems" in which an elite maintains political power, while economic and social institutions remain relatively independent, and in which opposition groups exist but have little power, appeals to the Vietnamese leadership. The invitation to Lee Kuan Yew to act as an economic adviser to Vietnam illustrates Hanoi's thinking. Given Thailand's political uncertainties, the rapport between these countries and Vietnam is unlikely to be matched in Thai-Vietnamese relations.

Thailand is currently in a position to gain from potential opportunities in Vietnam. However, aspirations to make Thailand the gateway to Vietnam are unrealistic. Too many forces act against such a scenario. Competition from Hong Kong, Singapore, and Malaysia also assure that no one country will dominate as a regional middleman. Nor does Vietnam want to depend on a single country. Its experience with the Soviet Union taught the Vietnamese leadership that such excessive dependence is dangerous.

Thailand does have the potential to be a gateway, though. The Thai economy, on the verge of becoming an NIE, needs Vietnam's cheap labour pool and abundant resources. Seen as a package, both economies are attractive to foreign investors. Conflicting nationalist sentiments and mutual distrust, however, pose a threat to Thailand's role as a gateway to Vietnam.

Finally, in the medium to long term, Vietnam will be its own gateway.

The implication for Thailand is that Vietnam is likely to be just another market with which the Thais can do business. Opportunities for Thai businesses indeed exist in many sectors, such as agro-industry, light manufacturing, and gem processing. Yet these prospects are by no means available to Thailand alone. A concerted effort on the part of both the public and private sectors is essential if Thailand wants to be a major player in Vietnam. This, however, will be difficult following Thailand's recent political unrest.

#### **Bank Assesses SRV Investment Conditions**

92SE0250A Bangkok SIAM RAT in Thai  
25 May 92 p 2

[Report by the Thai Farmers Bank]

[Excerpts] [passage omitted] Vietnam's foreign investment promotion law is still loose and vague. For

example, it is still vague with respect to property ownership rights, which is contrary to administrative principles in a communist system but which is very important for investment. This is because this is a factor that will give investors confidence. And property can be used as collateral so that banks can extend credit. Vietnam is aware of this problem and has tried to revise its laws in order to entice foreign investors.

It is worth noting that joint ventures are given greater tax breaks than wholly-owned foreign ventures. This is in line with the objective of Vietnam, which wants to learn about new technology and management techniques from foreigners. Also, Vietnam has set wage stipulations, and this is another factor that supports joint ventures. Vietnam's law stipulates that wholly-owned foreign ventures must pay Vietnamese workers approximately five times the wage paid to workers who work for a joint business venture.

As for the profits that investors can earn from investing in industrial estates, besides being provided with public service facilities, they will be granted special tax privileges. Businesses that invest in the production of goods will be exempt from having to pay taxes during the first four years of operation. Service activities will be exempt from paying taxes for only the first two years. Besides this, investors will not have to pay equipment import duties or export duties. And they will be exempt from having to pay an income tax if they immediately reinvest the profits in the business. It is expected that two more zones for the production of export goods will soon be opened at the port of Haiphong and Danang.

It is worth noting that in addition to the economic reform policy of Vietnam, which clearly wants to promote foreign investment, and the laws that grant special privileges in establishing industrial estates and export goods production zones, Vietnam is an important factor and is very attractive to foreign investors in the following ways:

**Low cost of labor:** Vietnam has a population of approximately 68.5 million people. Of these, 32 million are of working age. Vietnam's wages are very low, that is, about \$50 a month (1,275 baht per month). If Vietnam is used as a production base, it will be possible to greatly lower production costs, and this will enhance the ability of these goods to compete on world markets.

**Large quantities of natural resources:** Vietnam is rich in a variety of resources such as timber, various types of aquatic animals, minerals, crude oil, and natural gas. [passage omitted] Vietnam has large amounts of valuable minerals, with iron, lignite, and coal reserves estimated at 540 million, 200 billion, and 6 billion tons respectively. To date, Vietnam has not been able to make full use of these resources because of the lack of modern and efficient technology. [passage omitted]

Since Vietnam first began reforming its economy, a large number of Thai investors have expressed an interest in investing in Vietnam. Statistics of the Vietnam Investment Board show that Thais have invested in 19 projects in Vietnam, with the amount invested reaching \$38 million (as of July 1991). Of the 31 countries that have invested in Vietnam, Thailand ranks 13th in terms of the amount invested. Thai investments have focused mainly on agricultural and processing projects, hotel activities, and mining activities. It is expected that Thai investments in Vietnam will continue to grow in the future in view of the fact that Thailand's raw materials and natural resources are being depleted. Also, the cost of labor in Thailand is higher than that in neighboring countries, with the result that some Thai exports are at a disadvantage on world markets. Thus, Thai businessmen are looking for a way to move their production and investment bases to the Indochina countries, particularly Vietnam, which is considered to be a country with great potential with respect to raw materials and labor and which can support Thai investments.

The implementation of an economic reform policy has resulted in a great increase in foreign investment in Vietnam. The total value of investments during the period 1987-1990 reached \$1.3 billion. In 1990 alone, the value of investments was \$520 million. And during the first nine months of 1991, foreigners invested \$1 billion in Vietnam. Thus, since Vietnam first implemented its economic reform policy, foreign investors have invested a total of \$2.3 billion in approximately 300 projects. This foreign investment has served to revive Vietnam's economic system. In 1991, Vietnam's rate of economic growth as measured by GNP increased 2.4 percent. The industrial sector grew at a rate of 5.3 percent, and the agricultural sector, which had been in a recession, saw yields rise a total of 21.7 million tons. This helped solve the problem of food shortages in Vietnam. At the same time, Vietnam has succeeded in switching from being a food importer to being the third largest exporter of rice in the world after the United States and Thailand. Vietnam's export sector has been expanding ever since 1988. This is because Vietnam has promoted the production of export goods. Also, Vietnam has provided support to encourage foreign investors to bring in technology to help improve production efficiency. As a result, the quality of Vietnamese goods has improved, production costs have dropped, and Vietnamese goods are now better accepted on world markets. In 1991, the value of Vietnam's exports was approximately \$1.8 billion. Its important trading partner is Japan. During the period 1992-1995, the Vietnamese Government hopes that the value of Vietnamese exports will reach a level of approximately \$7-8 billion and that the value of foreign investments in Vietnam will reach \$2.5-3.5 billion. That will help create at least 1 million jobs for people there.

#### Problems and obstacles:

Vietnam is now making a great effort to get foreigners to invest in Vietnam. But most investors are still encountering various problems and obstacles. This can be summarized as follows:

1. Lack of an infrastructure [passage omitted]: Vietnam has established industrial estates in order to facilitate things for foreign investors. But it will take a long time to build these projects. Besides this, to date, few industrial estate projects have actually been built, and these cannot handle all the foreign investment.

2. Laws: Ever since Vietnam first promulgated laws to promote foreign investment, it has constantly revised the laws in order to tighten and perfect these laws and make it easier to use them in actual practice. But in formulating each of these laws, Vietnam has usually given careful attention to protecting the interests of the country. And it usually considers things in great detail, which has slowed down the implementation of these laws and made it difficult for foreign investors to make a decision.

3. The fact that the United States continues to impose an economic embargo on Vietnam means that foreign investors must be very careful about their role in Vietnam. This is particularly true of Japan, which is an important trading partner of the United States. It can be observed that Japanese investments in Vietnam are not as large as they should be. The value of Japanese investments there ranks ninth even though the Japanese are the leading investors in the world today. Thus, as long as the United States continues to impose an economic embargo on Vietnam, foreign investment in Vietnam will not expand as much as it should.

However, if Vietnam can overcome these obstacles and maintain the low cost of labor there, foreign investment in Vietnam will increase greatly. This will greatly benefit the economic development of Vietnam in the future. Thailand should improve its role and revise its economic policy, on both the offensive and defensive fronts, in the face of the economic changes under way in Vietnam in order to reduce the effects on Thailand's economy in the future. This will also help coordinate our interests with those of Vietnam for the prosperity of the Indochina peninsula.

#### Phatchara Isarasena Assesses Economic Damage

92SE0263B Bangkok NAEO NA (LOK THURAKIT SUPPLEMENT) in Thai 27 May 92 pp 7, 8

[Excerpt] [passage omitted] In an interview, Mr. Phatchara Isarasena Na Ayuthaya, the under secretary of commerce, expressed concern about the fact that the Government of New Zealand is trying to get the world community to impose an economic embargo on Thailand because of the actions taken by the Thai military, which suppressed the people in cold blood and killed a New Zealander. He said that the cabinet should quickly form a special subcommittee in order to find out what actually happened before other countries impose an

economic embargo against us. If the facts show that the actions taken were reasonable, Thailand will probably be safe and should be able to continue developing its economy. But if the facts support the accusations that have been made, that will set back Thailand's economy several years. Because until politics is stable, we will not be able to assure either domestic or foreign investors, and our economy will not be able to survive.

"Foreigners will remember these events, and they will express their opposition by not using goods produced in Thailand even if there are government-to-government talks. This will be a great disaster in the long term. This can easily be seen from the decline in revenues from foreign tourism."

A reporter stated that several Commerce Ministry officials have said that there is only one way to appease foreigners and that is to form a new government. The opposition parties should be allowed to form a government for a period. After that, parliament should be dissolved, and a new election should be held in order to restore power to the people.

"The entire government must take responsibility for the violent action taken by the military, because the military must be subject to the orders issued by the government. The senior military and police commanders should resign in order to take responsibility and maintain honor and prestige." [passage omitted]

### **Economic Relations With Malaysia Worsening**

*92SE0251A Bangkok MATICHON SUT SAPDA  
in Thai 22 May 92 p 18*

[Text] At the beginning of last April Malaysia announced that it would increase the import fee on fish from Thailand which passed through on its way to Singapore by 400 percent. This is the latest friction between the two countries which have been in conflict since Malaysia began seizing Thai fishing boats which entered its territorial waters or passed through its territorial waters and boats which fished in the joint development area (JDA). Malaysia has sunk more than 150 Thai fishing boats to make a reef.

In the past the Thai Government has done practically nothing to retaliate against these actions by Malaysia. It has only issued warnings which have been ineffective inasmuch as Malaysia has continued its actions. And recently Malaysia has not just acted against Thai fishermen but also against organizations affiliated with the Thai Government such as the Cold Storage Organization (O.Y.) and the Express Transportation Organization of Thailand (R.S.Ph.), which has belonged to a network which allowed it to transship goods without paying a fee.

Mr. Plotprasop Suratsawadi, the Director of the Fisheries Department, estimated the losses caused by the Malaysian action in raising the fee from five baht to 25 baht per tray and in charging a transportation fee of 10 baht per box would be about 1.2 billion baht per year.

This action violated the agreement in the memorandum covering the shipment of perishable goods through to Singapore and violated the principles of the ASEAN Free Trade Area (AFTA) completely.

Malaysia gave as the reason for its actions that Thailand adjoined Malaysia and had its own commercial fishing zone where it had engaged in these actions first and had also engaged in these actions with other countries. Malaysia also stated that these actions were done to protect the fishermen in its area and in addition that the fees affected the importers not the Thai fishermen.

However there was something the average person might not know, namely, that Malaysia shared the commercial zone with Thailand alone so actions could not be taken with another country. At the same time protection at the domestic level not only violated the principles of free trade of ASEAN but also conflicted with the ending of domestic supports in accord with the talks concerning the joint reduction of tariffs (GATT). In addition the burden born by the importer which was mentioned by Malaysia also affected the exporter, and the ones who were hurt by this were the Thai fishermen for whom the purchase price was forced down by one to two baht per kilogram so that the Fisheries Department received complaints.

On 7 May after Mr. Plotprasop had watched these events for some time and had reached the end of his patience, he condemned the Malaysian actions and sent an urgent letter to the director of the Malaysian Fisheries Department asking for the details. He also recommended that the Ministry of Foreign Affairs meet urgently to develop a position for talks to deal with the situation. At the same time he insisted that if Malaysia responded in a manner known as "insufficient and unacceptable" then the Thai Fisheries Department would proceed with a response in the nature of "an eye for an eye, a tooth for a tooth" so that Thai losses would be matched by Malaysian losses.

But the problem was still not at the point where the Thai Ministry of Foreign Affairs wanted to retaliate as the Fisheries Department did inasmuch as it still placed importance on international relations, which Malaysia had never considered at all. In any case the Fisheries Department received a response from the Ministry of Commerce which reported that Mr. Phachon Itsarasena Na Ayuthaya, the deputy minister of commerce, had been studying retaliatory measures but still "could not reveal them" and might have to request permission from the cabinet. Any such action would have to take into consideration the amount of trade involved. The initial summary for the period from January to September of last year indicated that Thailand had a trade deficit of 7.924 billion baht. Thailand's important imports were crude oil, wood products, and urea fertilizer etc. Exports included 100 percent white rice and raw sugar etc.

The actions of these two units were appropriate and consistent inasmuch as the actions of the Ministry of



Commerce were taken after Mr. Plotprasop announced to the mass media that he would request the cooperation of the Ministry of Commerce in trade retaliation while the Fisheries Department would proceed with measures of its own beforehand by surveying the number of boats and the quantity of fish which Malaysian fishermen brought to the Pattani fish wharf.

This surveying would also be done for the purpose of retaliation in that an "equivalent" fee would be charged. In the past no fee had been charged. It was thought that this would also be an indirect response to Malaysia in that there were Malaysian investors who had invested with Thai businessmen to buy these fish.

It was also announced that the survey of the "JDA" had been postponed indefinitely—this was a request of the Thai fishermen which the Fisheries Department could not refuse. In addition preparations were made to cut technical assistance in the future. In a harsh announcement it was stated that Malaysia should definitely not use this situation to seize Thai fishing boats which had entered the waters of the JDA to fish because otherwise relations between the countries would be irrevocably "shattered."

Just increasing fees 400 percent might be considered a trade strategy except that this created problems and put pressure on the responsible units until they reacted. And this initial retaliation demonstrated that their actions were not done for profit alone but also were a disguised obstruction which disregarded international regulations. That Malaysia dared to engage in these actions was at the very least the result of Thailand thinking of relations between the countries each time in the past and giving in to Malaysia completely.

Whether it is the time or not to correct this problem between Thailand and Malaysia by disregarding relations between them, at least a hard position with regard to this problem would make Malaysia realize that the time for Thai patience and losses is past.

#### **New Intellectual Property Department Viewed**

92SE0263A Bangkok DAO SIAM in Thai  
22 May 92 p 4

[Text] Mr. Prayun Thaloengsi, the managing director of the Chamber of Commerce of Thailand, talked about the matter of intellectual property. He said that in the future, the newly-established Intellectual Property Department will have to expand its activities. The Patent Act has just recently gone into effect as a law, and the Trademark Act has just been revised. The next thing that must be done is to revise the copyright law received from the Ministry of Education, because the copyright issue is a major issue. We must think about what should be done in advance instead of waiting for problems to arise.

Mr. Prayun said that we must consider what steps to take to ensure that we have a modern copyright law that is in accord with the needs of Thailand's literary and artistic

industrial sector. Besides this, things that have been done in the past must be studied, such as the issue of trade secrets. We can't focus just on the trademark, copyright, and patent issues. We have to look at the needs of the country and at future trends. We can't wait until something happens.

"Besides this, we must establish a data center on patent registrations. This must be like a library that people can come to and obtain information. Important patents worldwide must be on file at this library in order to facilitate research. We can't just register patents. We must consider what things will be protected. As for the data to be compiled, we must consider what needs to be done in order to satisfy the needs of our domestic industrial sector."

Mr. Prayun said that besides accepting registrations and providing technical information on patent issues, the Intellectual Property Department must also coordinate things with police and prosecution officials and with the courts in implementing the laws in order to ensure that these laws achieve results. If a law is promulgated but it is not implemented effectively, it won't bring results. Several more committees and subcommittees must be formed in order to ensure that the work of the Intellectual Property Department is carried on well. And steps must be taken to ensure that this is done quickly.

Mr. Prayun also talked about the need to establish special courts to consider cases involving intellectual property, because these are technical issues. Ordinary judges probably don't have the knowledge necessary to handle such cases, or they may focus on the legal issue only and not give any consideration to the economic effects. Some judges and prosecution officials have already been given training. He has served as an instructor at these training seminars. By special courts, he does not mean that these will be separate courts. The only thing is that these courts will be presided over by a judge who has the knowledge necessary to hear such cases.

#### **Business Leaders on Impact of Demonstrations**

92SE0263C Bangkok NAE0 NA (LOK THURAKIT SUPPLEMENT) in Thai 28 May 92 pp 7, 8

[Excerpt] [passage omitted] The Executive Committee of the Thai Chamber of Commerce held a meeting on 27 May in order to discuss the effects of the violence stemming from the use of military force to suppress those who were demonstrating for democracy and to discuss ways to improve Thailand's image in the eyes of people throughout the world and help improve the economy, which has been seriously affected by recent events.

Mr. Suwit Wangli, the deputy chairman of the board of the Thai Chamber of Commerce, said that those at the meeting decided to call a meeting of the heads of the foreign chambers of commerce that are members of the Thai Chamber of Commerce. The 13 countries include



the United States, China, Australia, Japan, France, Korea, Germany, England, the Netherlands, Sweden, Italy, Israel, and Thailand. This meeting will be held on 2 June together with the Industrial Council and the Thai Bankers Association.

"We must take urgent action to explain what happened. We cannot wait for the political situation to settle down. We must take action now to solve this problem. What we must do is maintain our image so that businessmen and investors will have the confidence to continue carrying on activities here. We must explain that the violence that took place was limited to Bangkok. It did not spread to the rest of the country. After listening to our explanations, they will return and explain things to their head offices in their countries so that the people there understand things correctly."

Mr. Suwit said that as for Thailand's target of exporting 860 billion baht worth of goods this year, it is thought that we can still hit this target, because the recent events lasted only a short time and did not have much of an effect on the production of export goods. However, these events have had a great effect on tourist and hotel activities and related trade activities.

Mr. At Taolanon, the former deputy minister of agriculture and cooperatives and a member of the Chamber of Commerce, said that the Chamber of Commerce is evaluating the situation in order to determine if these recent events will have a long-term effect on trade and exports. All sides should cooperate in an effort to solve the problems. In particular, politicians should look at the economic side, too. The faster the situation settles down, the greater the stability on the trade and investment fronts.

"From what I have seen, investments have slowed down somewhat, but investors are still confident about investing. Many people believe that the situation will be resolved in a favorable way. As for those who fear that the violence that occurred will make a great impression on the people of the world and that they will express their opposition by not buying Thai goods, I feel that the people of the world will sympathize with Thailand and buy even more of our goods. They have seen how much the Thai people desire democracy."

Mr. Niphat Phukkanasut, the director of the Fiscal Policy Office, said that in view of the fact that the violent events came to an end so quickly, what happened shouldn't have much of an effect on imports or exports. So far, no country has ordered a ban on goods from Thailand. It is thought that everything is proceeding as usual.

"The inflow of capital may slow down temporarily, but once the situation returns to normal, that will improve. What this will really affect will be long-term investments involving new capital. Investors will probably wait and see what will happen to Thai politics and who the leader will be. Wise investors will wait to see what will happen. However, the foundation for more than 90 percent of the large projects was laid during the time of the Anan Panyarachun government. Another clear effect of this is that the tourist business is in a depression, and taxes from this business have declined. This has affected the collection of state revenues for the budget. But if there is not enough money, treasury reserves can be used."  
[passage omitted]

## POLITICAL

### Best Selection Process for National Assembly Election

922E0165A Ho Chi Minh City TUOI TRE  
in Vietnamese 23 May 92 p 2

[Interview with Nguyen Van Hanh, chairman, Municipal VFF [Vietnam Fatherland Front] Committee, by Huy Duc; place and date not given: "Best Way To Select Candidates Is To Be Democratic and To Comply With Law"]

[Text] Following the second consultative conference (held today, 23 May) aimed at adjusting the list of nominated candidates and independent candidates, the Municipal Electoral Committee will solicit ideas of voters in the localities where these candidates either work or reside. This is an important step prior to convening a third consultative conference to select candidates and to draw up an official list of candidates. Mr Nguyen Van Hanh, chairman of the Municipal Electoral Committee and of the Municipal VFF [Vietnam Fatherland Front] Committee, has explained this step in his answers in the following interview.

[Duc] How does your committee evaluate the steps taken prior to the recent consultative conferences and nominations?

[Hanh] As we watched the procedures, we knew that all units carried them out in a serious and democratic manner. At the first consultative conference, after we had received the opinions of organizations and mass organizations, we already changed the make-up of candidates. Such social strata as journalists, veterans, and lawyers have been included in the make-up, with each stratum having one candidate of its own. The nominating procedure has also been carried out in a careful manner in accordance with the principle of recommendations being made from the basic level on up.

[Duc] National Assembly deputies are representatives of the people in all walks of life. Recently, the candidates who were included in the make-up mostly are members of the state's official organizations. Do you think this distribution is rational?

[Hanh] Our state is one that is of the people, by the people, and for the people. The persons who are in the state machinery are no other than representatives of the people. In my opinion, the make-up that recently came into being includes representatives of localities, strata of the population, religions, and important sectors—all reflecting the bloc of all-people solidarity. That is a rational make-up.

[Duc] How do you organize the forthcoming conferences to solicit voters' ideas in their own places of residence?

[Hanh] Voters' conferences will be organized on the basis of small village, hamlet, or neighborhood team

units and convened and presided over by the standing committees of subward, village, and town VFF committees in coordination with people's committees at equivalent levels.

Voters' conferences in state organs and mass organizations are conferences of workers and civil servants, or conferences of representatives of workers and civil servants, and are convened and presided over by directors and chairmen of organ trade unions.

At these conferences, on the basis of the standards set for National Assembly deputies, voters are to compare, observe, and express confidence in nominated and independent candidates either by *raising their hands* or *casting secret ballots*, which will be decided by the conferences themselves.

The persons who are nominated and independent candidates, along with representatives of the organizations and organs where they work, will be invited to attend these conferences.

[Duc] What role do voters' ideas play in the selection of official candidates?

[Hanh] The ideas of voters, solicited in the places of residence or work of nominated or independent voters, constitute an important basis for the third consultative conference to consider before it decides about the official list of candidates. The issues that the people raise will be determined and verified by the organizations, which will draw conclusions as to where the truth lies. The organs in charge, if requested by the VFF, must be responsible for making such determination in an urgent manner and sending the results of their work to the Municipal VFF Committee prior to the final consultative conference.

[Duc] The third consultative conference will select and make a list of official candidates from among candidates, both nominated and independent. Do you think that with this way of selecting candidates, the interests of independent candidates will be guaranteed?

[Hanh] Consultative conferences are organized with the participation of all components, organizations, and social strata. I believe that they all have a sense of impartiality. The selection of candidates is determined by whether they fully qualify, are capable, and have good moral background. To organize the election is a process of practicing democracy and doing things on the basis of the law. Democracy must be good, and the law must be correct. We will strengthen control work at all levels and in all aspects so as to make the selecting of candidates guarantee satisfying these needs.

[Duc] Finally, to elect 24 National Assembly deputies for the municipality, is the number of candidates allowed—36—a controlled one?

[Hanh] The number of candidates depends on the results of the consultative conference. The number of official candidates has not been set at 36 as a controlled figure.

### **Eighth National Assembly Achievements Noted**

*922E0158A Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 16 Apr 92 pp 1, 2*

[Article by Khanh Le: "Eighth National Assembly: Affirmation and Precedents"]

[Text] The 11th Session of the Eighth National Assembly concluded with the approval of the 1992 Constitution, an historical national event. It was also the final meeting, which concluded the principal form of activity (the sessions) of the Eighth National Assembly. By reviewing the entire process of activity during the term one may affirm that the Eighth National Assembly fulfilled its glorious mission. It also passed on to the Ninth National Assembly some very valuable lessons.

The Eighth National Assembly was elected (April 1987) and was active during a turning-point phase of the nation, beginning with our entire population striving to implement the line of all-round renovation, which was adopted by the sixth party congress and which the seventh party congress recapitulated and avowed to continue to promote, in order to maintain political stability, gradually stabilize the economic-social situation, maintain national defense and security, expand international relations, quickly lead our country out of its economic-social crisis, and solidly advance on the path of building socialism, the path selected by the party, Uncle Ho, and our people. The activities of the Eighth National Assembly served to actively promote the renovation undertaking and contributed to bringing about profound transformations in our country's situation in recent years.

During the Eighth National Assembly our party changed the mode of its leadership of the National Assembly. The party adopted policies, lines, and resolutions regarding the most basic matters so that the National Assembly can carry out its functions and responsibilities according to the Constitution and laws. The speeches by comrades Nguyen Van Linh, Vo Chi Cong, and Do Muoi during the sessions fully manifested that fact. During this term the National Assembly was gradually elevated to the status of a popularly elected organ, the representative of the will of the entire population, and the highest organ of authority of the state in fulfilling the responsibilities of drafting the constitution, drafting laws, deciding important national questions, and overseeing the activities of the state organs. With a spirit of making all-out efforts with regard to its responsibility, intelligence, and working methods, the Eighth National Assembly fulfilled its role and attained results of historical significance. The most outstanding and all-encompassing results of the Eighth National Assembly during this term were more practical activities and more democratic meetings. They represented initial progress with very important significance in the activities of the National Assembly, the State Council, the standing committees of the National Assembly, and National Assembly delegations and delegates. With a sense of responsibility toward the people,

the National Assembly delegates listened closely to the opinions of the people, sought to understand the thoughts and aspirations of their constituents, and boldly debated the bills, reports, speeches, and resolutions. During the sessions, questioning and response to questioning were more serious. Many delegates frankly criticized the guidance and management of the Council of Ministers, the Supreme People's Court, the Supreme People's Organ of Control, and the other state organs. The National Assembly analyzed the mistakes and deficiencies of some state organs, reached conclusions, and recommended measures to resolve them.

The Eighth National Assembly intensified its legislative work in order to codify the resolutions of the sixth and seventh party congresses into state laws, in order to serve economic and political renovation. During the past five years the National Assembly promulgated two legal codes, 29 laws, and more than 40 regulations submitted by the Council of Ministers, the Supreme People's Court, the Supreme People's Organ of Control, and other state organs. The high point of the Eighth National Assembly's legislative work was the approval of the 1992 Constitution—the basic law of our state—an historical event that occurred at a time when renovation must be continued with more profound, comprehensive contents and with more solid steps, to lead our country to a new developmental phase. The Eighth National Assembly also made definite progress in examining and deciding upon a number of important national questions, such as the annual economic and state budget tasks, the reorganization of the ministries, the appointment of high-ranking state personnel, and the redrawing of the administrative borders of some provinces and municipalities directly under the central level. The National Assembly set aside much more time to discuss important questions regarding the economy and society, thereby contributing to setting forth the necessary policies and measures to resolve them, such as the management mechanism to resolve the bottlenecks in production and commerce, resolving difficulties in the lives of cadres, workers, civil servants, members of the armed forces, and victims of storms and floods, and dealt with negative incidents in some economic and financial sectors. The National Assembly and the State Council exercised their oversight function more effectively vis-a-vis the implementation of the National Assembly's resolutions regarding the economy, society, and social order and safety.

During five years of activity the Eighth national Assembly monitored itself strictly and straightforwardly and saw that there were still deficiencies. The activities of the National Assembly in many respects were still formalistic, especially in deciding that some important national questions and in the sphere of supervision. If in the legislative work there were clear initial results, the operational effectiveness of the two spheres mentioned above were still beset with many limitations and did not keep up with the needs of the situation and tasks. Even in the legislative work and the promulgation of laws and

regulations there was a lack of uniformity and they were slow to become part of life. Some have not been effective.

The activity of the Eighth National Assembly will pass on to the Ninth National Assembly, which will be elected by our people, valuable experience. The actualities of the Eighth National Assembly showed that, to ensure that the National Assembly correctly fulfills its functions and authority stipulated by the Constitution our party must strengthen and renovate its leadership of the National Assembly, from understanding the role and position of the National Assembly to the contents and mode of the party's leadership. That is the most important factor. In addition to strengthening and renovating the party's leadership of the National Assembly, the National Assembly has continually renovated its organization and working methods, continually expanded democracy in its activities and informed the people about its activities, strengthened its responsibility, and promoted activities of the National Assembly delegates.

Inheriting and developing the accomplishments of the Eighth National Assembly and assimilating seriously and scientifically the experiences of the Eighth National Assembly's activities, we are confident that in the future the Ninth National Assembly will achieve fine new accomplishments and continue to develop further the renovation undertaking of our party and people.

#### **Lawyer Comments on New Constitution**

##### **New Constitution Confirms Socialist Political, Economic System**

922E0164A Ho Chi Minh City SAIGON GIAI PHONG  
in Vietnamese 12 May 92 p 2

[Article by Lawyer Nguyen Thanh Binh: "The New Constitution Confirms Our Country's Socialist-Oriented Political and Economic Systems"]

[Text] The Constitution is the basic law of the state, the legal document of highest legal value in the legal system. It determines the most fundamental and most important issues of national construction. One of the contents of the Constitution is to determine the political, economic, cultural, and social systems. Our country's new Constitution, which was adopted by the National Assembly on 15 April, is a great triumph of the cause of national renovation. It confirms our people's path to socialism by determining first of all the socialist-oriented political, economic, cultural, and social systems.

*Concerning the political system*, the Constitution has institutionalized the relations among the party leadership, the people's mastery, and the state management. Article 4 of the Constitution acknowledges and confirms that the Communist Party of Vietnam [CPV] is the leading force of the state and society and that it is the faithful representative of the interests of the working class, of the laboring people, and of the entire nation. The confirmation of the party's leading role against the

world's complex background is the affirmation of our people's faith in the party, because only the party is capable of leading our people to socialism. However, the exercise of party leadership does not mean that the party is above the state and above the law, because the party leadership is aimed at ensuring efficient state management and real people's mastery. For this reason, the Constitution also stipulates that all party organizations operate within the framework of the Constitution and the law. Articles 2, 3, 5, 6, 7, 8, 12, 13, and 14 of the Constitution clearly define the nature of our state as a state of the people, for the people, and by the people which is dutybound to ensure and constantly promote the people's right to mastery in all fields, to build a prosperous and strong country, to achieve social justice, to enable everyone to enjoy a life of plenty, freedom, and happiness, and to create conditions for them to develop in all respects. The operational principle is that the state manages society by law and constantly strengthens the socialist legal system. All state agencies, cadres, and employees must respect the people, wholeheartedly serve them, maintain a close relationship with them, listen to their views, and submit to their supervision. They must also resolutely struggle against all manifestations of bureaucratism, arrogance, authoritarianism, and corruption. The nature, duties, and operational principle of the state as determined by the new Constitution have proven that ours is a socialist state and that its sole and lofty goal is to serve the people. These stipulations on the state and Articles 9, 10, and 11 of the new Constitution have confirmed the role of citizens as the masters by determining that all state power belongs to the people with the worker-peasant-intellectual alliance serving as its basis; that the people exercise state power through the National Assembly and people's councils, which represent the people's will and aspirations and which are elected by the people and accountable to them; and that citizens exercise their right to mastery by participating in the handling of state and social affairs. The new Constitution also stipulates that the Vietnam Fatherland Front and its member organizations serve as political bases of the people's power and work together with the state in looking after and protecting the people's legitimate interests. Thus, we can affirm that the new Constitution has laid down the fundamental principles for building a socialist political system on the strength of the basic notion that the CPV serves as the leading force, the people are the country's masters, and the state administers management under the party leadership and popular supervision.

*Regarding the economic system*, the new Constitution has institutionalized the CPV's positions, policies, and viewpoints on economic renovation and has clearly defined the orientation of our national economic development in the period of transition to socialism with the goal of "making the people prosperous and the country strong and meeting the people's material and spiritual needs ever more satisfactorily" (Article 16). The new Constitution advocates "developing the multisector

commodity economy in accordance with the state-managed market mechanism along the line of socialist orientation" (Article 15). This is an economic system made up of the state economy (Article 19), the collective economy (Article 20), the individual economy (Article 20), the private capitalist economy (Article 20), and the state capitalist economy (Article 16). All economic sectors are equal before the law (Article 22) and all business organizations belonging to various economic sectors may enter joint ventures and form associations with local and foreign individuals and economic organizations (Article 22). Legal property of individuals and organization shall not be subjected to nationalization and shall be protected by the state (Articles 23 and 22). The individual and private capitalist economies in particular may select their own forms of production and business organizations and may set up trade businesses—with no limit to their scale—in those sectors and trades that are beneficial to the national economy and people's welfare. Thus, it is obvious that the 1992 Constitution has really opened the door for the economy to develop, that there remain no constraints on people with capital and technical know-how who want to do business, and that liberal conditions have been created for citizens to freely earn their living, freely engage in business, freely circulate goods, and freely enrich themselves. This is precisely a socialist economic system, an economic system for people and in service of people. Article 25 of the Constitution encourages foreign organizations and individuals to invest capital and technology in Vietnam. The Vietnamese state protects the property and other interests of foreign investors in Vietnam; business organizations set up with foreign capital investment shall not be nationalized. To develop the economy in the right direction and for the right purpose—that of "making the people prosperous and the country strong"—the new Constitution lays down an extremely important principle, namely the state administers unified management of the national economy by laws, plans, and policies (Article 26). This stipulation is intended as a guarantee against illegal business practices by organizations and individuals and acts of economic sabotage, and as protection for the interests of producers and consumers. The new Constitution provides for severe and judicious punishments for all unlawful production and business activities and acts of economic sabotage (Article 28) and strictly prohibits all acts of depleting natural resources and destroying the environment (Article 29).

*Concerning the cultural and social system*, the new Constitution determines numerous measures aimed at developing our country's culture into a modern and humanistic national culture (Article 30). The state shall create every necessary conditions for citizens to develop in all respects (Article 31) by adopting various policies aimed at developing literature and the arts (Article 32), developing the information service and the press (Article 33), and preserving and developing the national cultural heritage (Article 34) for the purpose of developing and

fostering the Vietnamese people's traditional noble character and soul and healthy way of life. The Constitution affirms that education and training are foremost national policies (Article 35) that provide for the building of schools and classrooms in many different forms to continue eradicating illiteracy, universalizing primary education, enhancing the people's intellectual standard, training skilled manpower, and fostering men of talent. Science and technology are affirmed by the new Constitution as playing a key role in national socioeconomic development (Article 37). The state shall devise an investment plan for and formulate a national policy on science and technology. It shall apply itself to training and making rational use of the contingent of scientific and technical cadres and shall create every necessary condition for scientists to make inventions and contributions. In addition to the policies of developing culture, education, science and technology, the new Constitution has also put forward policies and measures aimed at protecting the people's health; protecting, caring for, and educating children; protecting mothers; aiding the elderly and handicapped; looking after the families of war martyrs, war invalids, and sick soldiers; developing sports and physical education; encouraging tourism; broadening international exchanges in the fields of culture, education, science, sports, health care, tourism....

In short, the essence of the political, economic, cultural, and social systems as determined in the Constitution has affirmed the viewpoint of persistently following the socialist path that our party and people have chosen.

### **New Constitution Confirms People's Mastery, Freedom**

*922E0164B Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 13 May 92 p 3*

[Article by Lawyer Nguyen Thanh Binh: "The New Constitution Confirms the People's Mastery and Freedom"]

[Text] Whether a Constitution is highly democratic or not is reflected in the way citizens' position and status are determined in their relationship with the state and society. Fully imbued with Ho Chi Minh's thoughts and virtues and shot through with the party's "regarding-the-people-as-the-roots" concept, the new Constitution has affirmed the masters' position and free status of citizens in the political, economic, cultural, social, and corporeal domains (Article 50).

*In the political domain:* The people have the right to vote to really select their representatives for representative bodies such as the National Assembly and people's councils; these representatives will hold state power in the people's behalf (Article 54). The people have the right to stand for election to representative bodies and any fully qualified person may join the administration (Article 54). In addition, the people may participate in the management of the state and society, take part in discussions of common issues of the entire country and

localities, make proposals concerning state organization and management issues and socioeconomic policies (Article 53), and use their votes to decide important issues of the country when the state organizes a referendum (also Article 53). The people also have the right to control state and social management activities; express consent to, support for, or objection to a state organ, a position, or a policy; and enjoy the freedom of speech and the press, the right to lodge complaints and denunciations and to demonstrate (Articles 69 and 74). To enable citizens to become the real masters of the country and society and to be really free, the new Constitution affirms that all citizens are equal before the law (Article 52), that citizens of both sexes have equal rights in all respects (Article 63), and that all nationalities are equal (Article 5).

*In the economic domain:* The 1992 Constitution really respects the people's economic freedom and creates favorable conditions for them to enjoy it. First of all, the people are free to do business in accordance with the principle that there is no limit to the scales and areas of business, that people are free to choose their own forms of business and to enter joint ventures and form associations with the state and any local and foreign individuals and organizations, and that the private economic sector is equal to all other economic sectors (Article 57 and some other articles in the Chapter on the Economic System). The freedom to do business is a basic right, but this freedom alone is not enough to make people really free economically. For this reason, the new Constitution also affirms that citizens have the right to own means of production, capital, businesses, and other legally-earned incomes, and that the state shall not nationalize, confiscate, or requisition such assets (Article 58 and some other articles in the Chapter on the Economic System). Thus, our people have every necessary legal basis for freely engaging in business, freely enriching themselves, and freely exercising their right to ownership of property and wealth earned through legal business activities. The Constitution gives citizens the right to long-term use of land, authorizes land users to transfer their right to use land, and allows citizens to build dwelling houses (and to trade in dwelling houses). If other laws that have been promulgated are also taken into consideration, it can be said that anyone who has the necessary capability and conditions may engage in maritime navigation business (The Law on Maritime Navigation) and forestry and plantation business (The Law on Forest protection and Development); and may be business owners (The Law on Private Business and the Law on Corporations), school owners (The Law on Universalization of Primary Education), bank owners (The Regulation on Banking and Credit Services).... Anyone who lacks a large amount of capital or advanced technical know-how may engage in individual business such as opening shops, goods stalls or counters, and services. State cadres and employees, Armed Forces personnel, and cooperative members may freely engage in production and business activities in accordance with the family economic system (Article 21).

*In the cultural and social domain:* The Constitution determines a very large number of specific rights and measures to enable the people to participate and exercise mastery in the cultural and social domain, such as the rights to study, to undertake scientific research, to create literary and artistic works, to make discoveries and inventions, to carry out technical innovations, to work, to benefit from the health care and labor protection systems, to engage in press activities, to enjoy the freedom of speech, to be informed, to enjoy the freedom of religion, and to participate in physical education, sport, and tourist activities. Children, the families of war martyrs, war invalids, the elderly and handicapped, people without support, gifted people... have the right to benefit from various preferential treatment policies or care-giving and assistance policies of the state and society (articles on the basic rights and duties of citizens). The state is responsible for ensuring the implementation of these rights and for working out policies to develop culture, education, science and technology, and other social activities so as to create favorable conditions for the people to enjoy the benefits of the cultural and social system and to develop in all respects (The Chapter on Culture, Education, Science, and Technology).

*On the corporeal domain:* Corporeal rights are the rights closely related to citizens and aimed at ensuring the status of each individual as a free person whose life, health, honor, dignity... are respected. The new Constitution recognizes many corporeal rights of citizens in accordance with the principle of respecting citizens' rights and freedoms. These are the right to the inviolability of their bodies, their domiciles, their honor, their prestige, their mail, their phone calls, and their private property. No one can be arrested, detained, or searched without a warrant issued by a responsible agency, and no one can be considered guilty and subjected to punishment without a court verdict that has come into effect. Citizens have the rights to move around and live in the country, to go abroad and to return home as stipulated by law. People who have been arrested, detained, and tried unjustly are entitled to material indemnities and rehabilitation. The Constitution strictly prohibits all forms of coercion, corporeal punishment, and affront to the honor and dignity of citizens, and states that all acts violating the corporeal freedom of citizens shall be severely dealt with (Articles 68, 71, 72, and 73).

Citizens occupy the position of masters and have the status of free people, but, at the same time, they must shoulder their duties as masters and assume their responsibilities toward the state and society. Therefore, the new Constitution lays down the principle that citizens must exercise their rights as stipulated by law, and that people who satisfactorily and fully discharge their duties are entitled to broader rights. The state is responsible for implementing citizens' rights and citizens are responsible for fully discharging their duties toward the state and society. The new Constitution stipulates that citizens have the following basic duties: They must be loyal to the fatherland; betraying the fatherland is the most

serious crime (Article 76); they are dutybound to defend the fatherland, to perform their military duty, to participate in building the all-people national defense system (Article 77), to respect and protect state property and public interests (Article 78), to abide by the Constitution and laws (Article 79), to pay taxes and to perform community service (Article 80).

In a word, correct exercise by each citizen of his rights within the framework of the law and his fulfillment of citizens' duties are required by the Constitution to build a healthy and happy life for his own family, to contribute to building an increasingly developed country and society, and to eventually achieve the goal of "A Prosperous People and a Strong Country."

#### **Further Comments by Lawyer on New Constitution**

922E0157A Ho Chi Minh City SAIGON GIAI PHONG  
in Vietnamese 15 May 92 p 5

[Article by Lawyer Nguyen Thanh Binh: "The New Constitution Affirms the Rule-of-Law State Apparatus, Upholds the Law, Realizes Democracy"]

[Text] One of the greatest viewpoints and notions of the 1992 Constitution is that society must be managed by laws, that state organs must operate on the basis of the Constitution and legislation, and that a rule-of-law state must be built step by step. This is an important viewpoint aimed at establishing a common order: order in economic management, in social management, in state organs' operations, in business activities, in foreign relations... and in all other areas of social life. This viewpoint is also designed to create a corridor for all actions of organizations and citizens, thereby keeping their activities within bounds and contributing to the establishment of order and discipline and the development of a safe, orderly, and healthy environment. To give expression to and implement this major viewpoint, a Constitution must provide for shaping a firm and strong state apparatus, the development of correct and close relations among state organs, and the creation of a legal system capable of maintaining order and discipline in the state machinery's operations. The new Constitution, in successfully resolving these questions, exudes the spirit of a rule-of-law state. Unlike the states organized according to the principle of separation of the three powers, our state apparatus is founded on the basis of unified authority and nonseparation of powers; but there are a rational division of work and close coordination among the legislative, executive, and judicial powers so that each agency can bring into full play the effectiveness of the specific power vested in it, thereby enabling a full and thorough exercise of state authority on the basis of implementing the people's right to mastery, upholding the law, and strengthening the legal system.

**On the head of state:** The 1992 Constitution stipulates that the president of the state is the head of state and represents the SRV in domestic and foreign affairs

(Article 101), that the National Assembly elects the head of state, and that the head of state is accountable to the National Assembly (Article 102). Thus, the president of the state is the head of state but is not above the National Assembly. The president of the state must submit to National Assembly decisions, and thus he must indirectly submit to the people's will. The president of the state is vested with many important powers (Article 103), but these are not absolute powers; essentially, they are the powers to implement the Constitution and National Assembly decisions.

**On the National Assembly:** The Constitution stipulates that the National Assembly is the organ occupying the highest position and playing the primary role, and that it is the people's highest representative agency, the country's supreme organ of state power, and the sole organ exercising legislative power (Article 83). In its capacity as the highest organ of state authority, the National Assembly shall decide on the most important affairs of the state and is empowered to exercise supreme supervision over the operations of the executive agencies (the president of the state, the government, the prime minister...) and the judiciary agencies (the courts and organs of control). The National Assembly has a permanent body called the Standing Committee which represents the National Assembly and performs a number of its duties when the National Assembly is not in session (Articles 90 and 91), among them the duty to supervise the activities of the government, the prime minister, the Supreme People's Court, and the Supreme People's Organ of Control. The Standing Committee also has the right to suspend implementation of government, Supreme People's Court, and Supreme People's Organ of Control documents if they are at variance with the Constitution and laws, and to annul documents issued by these agencies if they are at variance with National Assembly Standing Committee regulations and resolutions (Article 91).

**On the government the prime minister of government:** The new Constitution affirms that the government is an executive organ of the National Assembly and the highest administrative organ of our country (the government is an executive body exercising executive power). The government has the duty to administer unified management of all fields of activities of the country and society and is vested with many important powers (Articles 109 and 110). However, the government is not an executive organ separated from and independent of the National Assembly (the legislative organ); in fact, it must submit to the laws, resolutions, and decisions made by the National Assembly, is accountable to the National Assembly for its work, and must put itself under the supervision of the National Assembly (Article 110). The prime minister is the head of government and manages its operations. He is elected and may be dismissed by the National Assembly, submits to National Assembly supervision, and is accountable and reports his work to the the National Assembly (Article 110). The prime minister is vested with many important powers in state



management to ensure correct implementation of the Constitution and laws (Article 114 and 115).

**On the judiciary organs:** The Constitution stipulates that the organs exercising judicial power comprise the court system and organ of control system. The chief justice of the Supreme People's Court and the chief procurator of the Supreme People's Organ of Control are elected and may be dismissed by the National Assembly, submit to National Assembly supervision, and are dutybound to correctly implement laws (Article 126). The courts are adjudicative organs of the state, have the right to be independent, and are subject only to the law; judges are appointed by the state (Articles 129, 130, and 128). The organs of control are agencies in charge of controlling the compliance with the law by state agencies, organizations, and citizens, and exercising the right of public prosecution (Article 137). Thus, the judiciary organs have the right to be independent, but this is not an absolute right; it is rather a right to be independent in enforcing laws and in observing state legislation.

**On the local administrations:** The Constitution stipulates that the two principal organs of the local administrations are the people's council and people's committee (Chapter IX). The people's councils and people's committees will continue to be set up in provinces and municipalities directly subordinate to the central government; in districts, precincts, municipalities subordinate to provincial government, and cities; and in villages, wards, and townships (that is, at all the three levels of the local administrations) (Article 118). The people's councils are the organs of state power in localities; elected by the local people, they represent the will, aspirations, and right to mastery of the local people and are accountable to the local people and to upper-level state organs (Article 119). The people's councils are empowered to decide on measures to enforce laws and carry out plans for socioeconomic development and for other areas related to local citizens' livelihood (Article 120). The people's committees are executive agencies of the people's councils and state administrative organs in localities. They are elected and may be dismissed by the people's councils, are accountable to the people's councils and to upper-level state agencies, and have the right and responsibility to administer state management in all fields in localities (Article 124).

**On the principles of organization and operation of the state apparatus:** The Constitution affirms the fundamental principles to follow in building a rule-of-law state and a management-by-law system, in ceaselessly strengthening the legal system, and in making the executive and judiciary organs submit to the legislative organ (the National Assembly), lower-level state agencies submit to higher-level state agencies, and localities submit to the central echelon. In addition, the Constitution also determines numerous democratic principles aimed at upholding the people's right to mastery. These include the principles that state power belongs to the people (Article 2); that the people exercise their power through the National Assembly (Article 6); that state

agencies and state employees must serve the people (Article 8); that the government must report to the people on important issues it is in process of resolving (Article 114); that whenever the government discusses important questions relating to a mass organization, it must invite representatives of that particular organization to sit in (Article 111); that leaders of local mass organizations may be invited to attend people's council sessions (Article 125) and people's committee meetings when issues relating to the people's interests are discussed (Article 125), and so forth.

In short, the structure and principles of organization and operation of the state organs determined in the 1992 Constitution have affirmed the establishment of a rule-of-law state, a state that is democratic and upholds the law. But this is a rule-of-law state that exercises unified power, implements genuine democracy, and really enforces laws.

#### Pham Van Dong on Theoretical Work

BK2606072392 Hanoi NHAN DAN in Vietnamese  
2 Jun 92, p 3

["Text" of Pham Van Dong's address at a Conference on Theoretical Work organized by the Party Central Committee Secretariat; place and date not given]

[Text] The world at the end of the 20th century has undergone rapid, great, and complex changes. The marvellous steps of progress in the scientific and technological revolution, the vigorous developmental momentum of production forces, the profound changes in social life, awareness of national spirit, and individual sense and economic and political disturbances in the world have taken place successively. Some of the events would have been unimaginable a few years ago. More than ever before, mankind needs to be enlightened by doctrines capable of explaining and indicating the paths of rehabilitating the world and advancing mankind and history.

Against such a background and at a time when some people have thought Marxism-Leninism has been bankrupted and buried, it is still alive with its eternal vitality of scientific and revolutionary theories and along with life it is constantly developing and renovating itself.

Let's recall the recent appraisals by some well-known western scholars. John Kenneth Galbraith, a Nobel prize winning American economist, during his dialogue with Russian Academician Menchikov, said: "Marx is too great a person to be reserved for communists alone." Steven McGill, a Harvard University professor, wrote an article published in the December 1991 issue of THE WALL STREET JOURNAL: "Through a critical analysis, Marx, a great researcher, contributed to determining the agenda for the era. Marx is still exerting an impact on the modern thinking about history and economy." Max Gallo, a holder of a doctorate degree in French literature and master's degree in French history, and a member of the French Socialist party, in his work entitled "Declaration for the Last Stage of a Dark



Century" published in early 1990, clearly indicated that nowadays when one rereads Marx while in a peaceful state of mind "one encounters a dazzling source of light and one becomes dizzy in the face of the greatness and profoundness of Marxist ideology, a creative wing-beat and the passion of a constantly free mind which raise every word and sentence of Marx to a rhythm and a cause of special emotion. Marx's work is a great spiral encompassing the whole world and the entire life. By his concern with mankind, his will to liberate mankind, his perception of human aspirations for developing personal characteristics, Marx is a person whom we cannot miss."

The communist movement is now in recession. Developments in the world are very complex. It is mainly in this new situation that Marxism-Leninism has armed us with coolness and clearheadedness to perceive the undercurrent flow of history along with the inevitable and long-term trends which will grow and gradually appear in the movements of peace, national independence, democracy and social progress. These movements will gradually intersect and will advance toward a new civilization of mankind—the socialist civilization—along the unpredictable paths and under fruitful and diverse forms.

In Vietnam, theory and practice have been all along attached to each other in the people's revolution, of which the architects were Ho Chi Minh and the communist party. Marxist-Leninist doctrine that was applied creatively under the conditions in Vietnam led to the formation of Ho Chi Minh thought manifested by the parallel banners of national independence and socialism.

The realities of the Vietnamese revolution have always set premises for theoretical work and have always been enlightened by theoretical work. They brought about great victories during the people's national democratic revolution, the August revolution, and the two resistance struggles.

In the socialist revolution, through its various achievements and blunders, learning from its voluntaristic errors and summarizing its achievements of many years of research and experimentation, the party at its sixth congress by the end of 1986 set forth the policy of renovation which marked an important turning point and opened a new period of development for both practical and theoretical work of the revolution in our country.

Ever since then, renovation has become a trend involving the situation and livelihood of the people in the country and has led to important breakthroughs in thinking and action from the political, economic, cultural, social, and domestic and foreign policy standpoints. This process is going on and should be accelerated in order to take deeper and broader roots and to yield even more results along the socialist line.

The theoretical work is assigned the duty of making important contributions to this process as indicated by the political bureau resolution on theoretical work in the present stage.

The current revolutionary renovation in Vietnam stems from the intelligence and creativity of a nation rich with revolutionary realities, materials, potentials, and needs for theoretical work. By saying this we assert that our theoretical work must develop commensurately with the people's revolution that is being renovated.

As for the scope of theoretical work in the days ahead, my ideas are no different from what has been outlined in the political bureau resolution, what has been explained in Comrade Nguyen Duc Binh's report, and what has been included in the 10 state social science programs that are being implemented. To emphasize some of the key points, I would like to present the following five major issues:

1. National independence and socialism, and the national democratic revolutionary course of the people who are advancing to socialism in our country.

In studying this issue that encompasses domestic and foreign policies, we will clarify the marvellous encounter of national independence with socialism in our country. National independence that surges forward to socialism creates a fine and inevitable opportunity for us and is the significance, objective, and great *raison d'être* of our nation. Socialism comes to national independence that serves as an area and a setting for it to bloom and to bring into play its superior potential. National independence and socialism harmoniously combine with each other and advance together in an endless evolution to finally build socialism of Vietnamese hue.

At present, our party and people have firmly maintained the parallel banners of national independence and socialism, have steadily asserted their independence and creativity, and have avoided all deviations and traps of sluggishness and bourgeois liberty. We must promote the strength of national unity and surge forward on our own. This is a decisive factor to expand the diverse and multilateral international relations, aiming to build and defend the country and to enrich the people and strengthen the country.

2. Renovation.

Studying this issue in close connection with the above-mentioned one is to study the comprehensive development of the potentials of national independence and socialism in our country in today's era, which reflect in all areas of activities and social life and open up new horizons and unpredictable prospects for national development.

The renovation trend is taking place at a time when our country is step by step advancing to socialism in the transition period, bypassing the capitalist stage. We must know how to clearheadedly apply the positive factors of previous social systems, mainly the capitalist one. At the same time, we must know how to apply creatively the laws that manifest the superiority of socialism, and how to promote the right and positive aspects while avoiding the wrong and negative aspects of all socioeconomic

activities. We will develop the multisectorial economy of goods, which operates under the market mechanism, with state managerial control. At the same time, we must pay attention to the unacceptable process of social disintegration by taking care of social justice, opposing social pollution coming from many directions, and creating a healthy living environment for everyone.

These are extremely important practical and theoretical tasks.

### 3. The integrated mechanism of people's mastery, state management, and party leadership.

Studying this issue is to study the intrinsic source of the driving force of socialism, which is correctly and accurately raised in our country, especially for the current trend of renovation.

Life in localities and various domains poses an ever pressing demand for an effective application of this mechanism.

Party leadership and state management are mainly aimed at promoting the people's mastery and the valuable potential of each individual and the community as a whole, and on this basis, to overcome difficulties and obstacles, and steadily advance. All of us must do our utmost to advance quickly.

This integrated mechanism is being renovated to practically enter the life of our country so as to renovate the entire course of socialist revolution.

### 4. Ho Chi Minh Thought.

The purpose of studying this issue is to assert the scope of Ho Chi Minh thought as a combination of the Vietnamese nation's traditions, Marxism-Leninism, and the achievements of many oriental and occidental doctrines thus far.

Together with studying the aforementioned issues, the research of this issue will give an in-depth clarification of the practical effect of Ho Chi Minh thought on the present stage and the way of applying his thought to the renovation trend that is taking place comprehensively in our country.

### 5. Contemporary Marxism-Leninism.

This issue must be studied along with the aforementioned issues and must aim toward asserting the vitality and development of Marxism-Leninism in close connection with the acquisition of achievements by other doctrines of mankind. This study must be based on the scientific and revolutionary nature of Marxism-Leninism in order to perceive and apply the positive factors of the era, explain today's world, understand the revolutionary and progressive movements and organizations, and analyze modern capitalism.

The study of modern capitalism must clarify the fact that although capitalism still has considerable potential to

adjust and develop itself, it contains antagonistic contradictions that tend to increase along with its process of adjustment and development. As a result, fundamentally and in the long term, negating factors will emerge within it and finally revolutionary and progressive forces will replace it to build a higher civilization, the socialist civilization, through many ways and under many forms depending on the conditions and characteristics of each nation.

The research guidelines specified in the Political Bureau resolution the key issues of which I stressed here above, encompass the entire fundamental and applicable research scope for the immediate and distant future. They create opportunities and conditions for every theoretical research individual and unit to develop its capability. They open up a new horizon and new space for research work of great and profound potential which is awaiting exploitation and application to life. To really develop the theoretical work and build a strong and large contingent of theoretical cadres as specified by the guidelines in the Political Bureau resolution, once again, I would like to stress the necessity of truly promoting democracy and freedom of thought, in order to encourage research and creativity along with solidarity, cooperation, and mutual assistance. Democracy means respect for and listening to others' differing views and cordial debate of differences to search for light.

Theoretical workers should watch life closely, engage deeply in realities, seek to understand the real evolution of society, and learn from and review the people's experiences. They should at the same time read and think well in order to constantly raise the level of their knowledge. They must strenuously and persistently research to see the theoretical side of everyday life which ordinary people would not be able to see. These are developments in conformity with the laws of life. We will thereby bring about persuasive theoretical demonstrations of new models that are appearing almost everywhere, thus helping models to multiply.

Theoretical workers should be truthful academically in order to appraise the work of their own and their friends in a frank, just, and wise manner. They must not carry out the task lightly but must strive to surge forward in order to turn out projects of truly good quality, new creativity, and practical results.

As our party is leading the state and society, it must improve and renovate itself to remain worthy of being the leader, vanguard, and exemplary pacesetter. Our party must equip itself with the pioneering theories of Marxism-Leninism and Ho Chi Minh thought which are operating under the renovation trend.

The party rules and it rejects multipartyism. This means that the party must remain abreast of the people's demands and must harmoniously unify the people's hearts with the party's will. The party must achieve democracy within its ranks and implement the people's right to mastery. It must accomplish broad national

unity, and promote the zeal and ability of the whole community as well as each Vietnamese.

We should not make theoretical work merely the task of leaders and specialists but also a task actively and positively shared by all party members and people.

As I have strived to clearly point out in this article, theoretical work is important because it contributes to party leadership and state management and it enlightens the people's activities.

Firmly grasping the close relationship between theory and practice, our Vietnamese nation and people will assert themselves for the cause of national independence combined with socialism, and will steadily advance to build a peaceful, unified, independent, democratic, prosperous, and strong Vietnam. This is an eloquent proof of the vitality of Marxism-Leninism and Ho Chi Minh thought.

This is also a worthy international contribution of our nation and party as Uncle Ho repeatedly urged us to do in his testament.

## MILITARY

### General Vo Nguyen Giap Interviewed on War Decision Changes

922E0151A Ho Chi Minh City TUOI TRE  
in Vietnamese 7 May 92 pp 1, 2

[Interview with General Vo Nguyen Giap on the occasion of the 38th anniversary of the Dien Bien Phu victory by Huy Duc-Tam Chanh, TUOI TRE's reporter; place and date not given: "From Dien Bien Phu to 30 April 1975—Remembering the Changes of Decisions"]

[Text] [Editor's note] Analyzing the Dien Bien Phu victory and the general offensive and uprising in the spring of 1975, General Vo Nguyen Giap, the commander in chief who directly led both recent great battles, emphasized that victory could be won only with decisions being *correct in terms of rules*. Meeting with a TUOI TRE reporter, he once again reiterated this lesson on strategic leadership, which is also the lesson being applied to the socioeconomic front today. [editor's note]

[Chanh] Both Dien Bien Phu in the past and the recent spring 1975 general offensive and uprising shared the same happening, namely the course of events leading to victories included changes that were totally different from the initial projections.

[Giap] The Dien Bien Phu and 30 April 1975 victories both were the results of the gallantry and creativity of the army and people all over the country, and the power of national solidarity, and had the same length of time—55 nights and days.

In the Dien Bien Phu campaign, the initial plans drawn up by the staff organ called for three nights and two days.

But as the campaign was progressing, as we observed that the situation had changed, we changed the initial decision from *quick fighting, quick winning* to *step-by-step fighting, fighting aimed at sure winning, sure advancing to win total victory*.

The plans for liberating the South had been initially set to last possibly from two to three years and at the same time to leave room for the opportunity factor, namely, to shorten the time if conditions would allow it. In reality, the campaign arrived at a total victory within only nearly two months.

[Chanh] Can you give more details as to the decisions that led to those changes?

[Giap] Details have been much covered by past publications. But now TUOI TRE asks me, I shall briefly mention them. On the Dien Bien Phu front, as early as on 12 January 1954, after the staff had made a presentation on the ability to fight quickly and to win quickly, I realized that it would be too risky to do so. On 25 January, before the time to start the battle, the situation on the enemy side had greatly changed. The enemy had received much reinforcement and was no longer in a state of temporary defense, but instead it had become a group of strong defense positions. On our side, although our troops' combat morale was very high, this was a battle in which infantry and artillery forces were to be coordinated without any prior joint exercises. Our main force troops had not yet acquired any experience in fighting during daylight; so the factors for sure victory did not exist yet. I remembered Uncle Ho's words uttered early in 1953: "Our battlefield is small and our men are not abundant, so we can afford only to win and not to lose, because if we lost, we would have no more capital left." When we left for the front, he also said, "This battle is very important. We must certainly fight to win."

On 26 January, at the meeting of the front CPV [Communist Party of Vietnam] Committee, I mentioned the intention to postpone the offensive and to order troops to retreat to their regrouping locations. The people who attended the meeting were hesitant: We had widely instructed our troops about their task, and if we changed our decision, it would be difficult to explain it to them. In addition, the more we prolonged the logistical work, the more difficult it would become. But when I analyzed the situation and asked them this question, "If we fight, are we 100 percent sure that we will win?" they unanimously thought it would be difficult to ensure a 100-percent victory.

The party committee then came to a unanimous decision: to postpone the offensive, to order our troops to go back to their regrouping positions, and to switch to the "sure fighting, sure advancing" formula.

The campaign was postponed for a month and one-half. On 13 March 1954, the attack on Dien Bien Phu was

launched while the enemy was caught in total surprise. As of 1700 on 7 May 1954, the campaign was a total victory.

[Chanh] How about the changes in the plans for liberating the South in 1975?

[Giap] Following the signing of the Paris Accord, the United States withdrew. In October 1973, the CPV Central Committee issued Resolution 21, which set forth the task of liberating the South and reunifying the fatherland.

The General Command shortly afterward made urgent preparations for our forces and for military plans consisting of a basic plan to last for a few years and an opportunity plan, which I mentioned earlier. Those preparations were carried out at a fast pace and covered forces, logistical work, as well as battlefields (including those in the Central Highlands and eastern Nam Bo). To ensure winning victory in those important, remote, and relatively weak locations, we at first had also thought of launching a major offensive in the Mekong delta, where the enemy kept large manpower and materials reserves. At the end of December 1974 and in early January 1975, when the Political Bureau was meeting, the Phuoc Long victory took place. The Political Bureau which had detected a new opportunity made a decision to change the direction of the offensive and now to aim it at the Central Highlands.

On 10 March, the opening battle launched against Buon Ma Thuot was victorious. On 13 March, the General Command sent a message to the battlefield to express the observation that the enemy had the capabilities of retreating to and regrouping in Pleiku or fully withdrawing from the Central Highlands. On 16 March, the Saigon army withdrew from Pleiku. We switched to fighting the enemy during its withdrawal and fleeing. The situation was changing very quickly. A new opportunity again appeared. By a proposal of the Military Commission of the CPV Central Committee, on 19 March the Political Bureau decided to switch to the *opportunity plan*: We were now determined to liberate the South in 1975.

On 25 March, we liberated Hue. By the Political Bureau's decision, the General Command gave the orders to launch an attack within the shortest time possible on Da Nang, where we destroyed 100,000 main-force troops of Saigon's I Corps. The Political Bureau and Military Commission realized that the liberation revolution had entered a stage of great-leap-forward development. Our strategic general offensive had begun. The liberation of Saigon was no longer some time in 1975 but could take place in May, before the rainy season. On 29 March, Da Nang was liberated. The Political Bureau realized this: *In reality, the liberation of Saigon had begun*. As everybody knew, the Nam Bo main-force units, the main-force detachments from all directions, along with local troops, special operations units, commando units, and self-defense and guerrilla

forces, all contributed to the historic feat of arms through a smooth coordination of their action.

Following the liberation of Da Nang, General Le Trong Tan, the campaign commander, was summoned to the General Command to report on the situation and to be assigned a new task. General Chu Huy Man, the political officer of Military Region V and also of the campaign, remained in Da Nang to command our troops. At the beginning, the orders of "*Lightning speed! Boldness! Sure victory!*" had been sent early to all army units that were advancing toward the South and were reiterated in the combat orders sent to the eastern detachments. Later they were changed to "*Lightning speed! Boldness! Total victory!*" The eastern detachments, following consultations, were placed under the unified command of the Campaign Command and at the same time directly reported on the situation to the General Command.

[Chanh] Can you further analyze the significance of the changes in the formula used in fighting the enemy to ensure our victories?

[Giap] On the Dien Bien Phu front and in the Spring 1975 general offensive and uprising as well, what determined our victories was our abilities to discover rules and to act in accordance with such rules. During the war, the situation was changing quickly. The question was that we should be sensitive to every change, to the new situation, and to new opportunities and make accurate, timely, and creative decisions.

Fighting the enemy is different from doing economic work. But in both fields there is a common basic point: To score victory, we must discover rules and act in accordance with these rules.

The sixth and seventh party congresses have set forth the line on renovation, which actually consists of overcoming mistakes and voluntarism and bringing our activities of all kinds into the correct rules of development resulting from the realities of our society's economy.

## ECONOMIC

**Achievements, Difficulties in Foreign Trade Noted**  
922E0159A Ho Chi Minh City SAIGON GIAI PHONG  
in Vietnamese 27 Apr 92 pp 1, 5

[Article by Le Xuan Trinh, member of CPV [Communist Party of Vietnam] Central Committee and first vice chairman of State Science Commission: "Our Country's Foreign Trade in Recent Years—Achievements and Difficulties"]

[Text] Total export value in 1991: 2.2 billion dollars.

One of the important solutions aimed at speeding up the process of renovating the economy in recent years was the fact that we stepped up export-import and expanded

our foreign trade, which was considered the key to seeking and guaranteeing the sources of power for economic development.

Encouraged by the new management mechanism, localities and sectors overcame many difficulties, further developed their production capabilities, and continually increased the value of export for the benefit of import. In the 1986-1991 period, particularly in the

last two years, the values of exported goods regularly and quickly increased. Air transportation, postal, labor export, foreign exchange, and other services also increased considerably. The goal set for the five year plan of 1986-1990, namely, increasing the value of export by 1.7 times, was overfulfilled as compared to the previous five year plan of 1981-1985: It was overfulfilled by 2.4 times. The values of export in those years were as follows (see table):

**Total export values**

Year	Total, millions of rubles, dollars	Millions of rubles	Millions of dollars
1986	822.9	438.9	384.0
1987	854.2	487.9	361.5
1988	1,038.4	590.7	434.7
1989	1,946.0	807.5	1,138.2
1990	2,404.0	1,111.5	1,292.5
1991	2,200	—	2,200

In those total export values, the shares of direct export by localities ranged from 20 percent (in 1986) to 30 percent (in 1990). The types of exported goods also showed noteworthy changes: In addition to the traditional exported goods, there appeared new items that were exported in considerable quantities, such as crude oil, rice, ready-made clothing, and so on, which accounted for remarkable increases in the export values. Heavy industrial goods and minerals accounted for from 9.6 percent of the export value in 1986 to 25.7 percent in 1990 and 33.8 percent in 1991; light industrial, small industrial, and handicraft goods, due to the markets in the (former) Soviet Union and Eastern European countries being cut off and remaining interrupted, accounted for decreasing values, from 34.8 percent of the export value in 1988 to 20.4 percent in 1990 and 11.3 percent in 1991; however, our light industrial, small industrial, and handicraft goods succeeded in entering other countries' markets where they increased from .7 percent of the export value in 1986 to 2.2 percent in 1990 and about 7 percent in 1991. Agricultural products and processed agricultural products maintained the same level of about 35 percent of the total export values, although rice export increased considerably—from 91,000 tons in 1988 to 1,624,000 tons in 1990 and 1991—and, after crop losses and serious natural disasters, still stayed at the level of over 1 million tons. However, other agricultural products and processed agricultural products exported to markets in the (former) Soviet Union and Eastern European countries showed sharp decreases. Marine and sea products also were exported in considerable quantities and accounted for from 8.8 percent of the total export value in 1988 to 9.9 percent in 1990 and 13.4 percent in 1991.

The fact that the world situation underwent many changes, particularly the political and economic upheavals in the (former) Soviet Union and Eastern European countries, created quite a few difficulties for our country's foreign trade: The fact that the level of

foreign trade exchanges in this region suddenly dropped, the source of trade deficit no longer existed, and the preparations for our switch to markets of the countries in the free-exchange sector had not been fully completed created large sudden losses for us. We must say that we are facing stern challenges. However, with our correct party and state foreign policies, with our economic policies conforming to the development trend of the era, and with correct export-import mechanism and policies, the potential of our economic components have been aroused; all sectors, localities, and installations have been encouraged to take part in producing goods for export, to improve design and appearance, to raise product quality, to seek markets, to expand business contacts, and so on. As of now, we have trade relations with 14 countries of the third world and 14 capitalist countries. The value of exports to free-exchange markets increased very quickly—accounting for from 33 percent of export value in 1985 to 53 percent in 1990—and in 1991 consisted mostly of foreign currencies obtained from trading with countries in the free-exchange sector. Although those achievements were initial ones, they made very large contributions to satisfying the needs for production development and for improving the living standard of all strata of the population. Thanks to progress in the export-import field, many enterprises have acquired additional equipment, modernized parts of their assembly lines, and expanded their production; sectors and localities have imported additional quantities of essential materials like gas and oil, fertilizer, insecticide, and so on, thus helping the economy to continue to stabilize and develop. In the past, the (former) Soviet Union had provided us with 90 percent of our need for gas and oil, 100 percent fiber cotton, 85 percent fertilizer, and 75 percent iron and steel. In the last two years, those sources of supplies greatly dwindled; in 1991 particularly, imports from the (former) Soviet Union and Eastern European countries dropped to only 19 percent of the levels of such imports in 1990, but

supplying these goods to the domestic market did not waver at all. That was a great achievement.

In addition to speeding up export-import development, we have gained many sources of official aid from many governments, international financial organizations, non-governmental organizations, and so on, and have been effectively using these capital sources.

We have also obtained quite important results from the so-called foreign capital field. As of the end of December 1991, after four years of implementing the Foreign Investment Law, we have issued permits of operations for 364 projects, which involved a total of registered capital of 2,645 million dollars. The number of projects and the amounts of registered capital have regularly increased through these years: nearly 360 million dollars in 1988, nearly 510 million dollars in 1989, 590 million dollars in 1990, and 1.185 billion dollars in 1991. Compared to a number of countries in terms of getting foreign investment in the first years, our country's capital-attracting power in the last four years was rated good. The above-mentioned projects are concentrated mainly on three fields: oil-gas exploration and extraction, manufacturing and processing of consumer goods and food, and hotel construction. Of the three forms of investment as dictated by the law, the joint enterprise form is the most popular one and accounts for 76 percent of the projects. The form of investment with 100 percent of foreign capital accounts for only about 8 percent. Most projects involve countries in the Southeast Asian-Pacific region. The countries that hold most projects are: Hong Kong, 94 projects; Taiwan, 46; the (former) Soviet Union, 33; France, 27; Japan, 24; and Australia, 19. Overseas Vietnamese hold 27 projects, with a total of 49 million dollars of registered capital.

Of the total of 364 projects, 119 are completing procedural steps toward starting operations; 165 projects are being carried out relatively well; 44 (about 12 percent) have reached the end of the contract period or have surrendered their revoked permits; and 36 have encountered many difficulties and now require a good special treatment.

The total of foreign capital invested in the last four years in accordance with the Foreign Investment Law amounted to about US\$620 million, or 23 percent of the total of registered capital, and initially attracted more than 10,000 workers to jobs that directly involved various stages of the enterprises' production and tens of thousands of other workers involved in secondary and support work in capital construction and other subsidiary fields serving those enterprises.

In 1991, the investment-cooperation enterprises created a value of production output of US\$94 million and exported goods valued at US\$73 million, or 3.3 percent of our country's total export value.

Generally speaking, the recent achievements in our foreign trade were very noteworthy. They were the results of a series of reasons that had served to stimulate and create

good motivation for exploiting the country's existing potential resources and thereby to prove that we had the capabilities to better develop our foreign trade, mostly the export-import field.

However, difficulties and limits were numerous: They crept into the new market to threaten its stability. They required high production level, good quality of manufactured products, and achievement of international standards, the field where we have been having very many difficulties. The many efforts we made to undo the obstacles created by the markets of the (former) Soviet Union and Eastern European countries did take a lot of time to bring about final results. Our ability to make international payment was greatly limited. In addition, the fact that our organizational system has not yet been fully renovated, there are too many intermediary layers, our business formula is being improved too slowly and without quick and sensitive responses, our study of markets is far from profound, our investment in exploiting the sources of export goods remains limited, and our infrastructure is still too weak and poor and has failed to attract better capital investment from foreign countries. All of these shortcomings, which have been great obstacles hampering the development of our foreign trade, must be quickly overcome.

The socialist construction in our country requires that we fully exploit the sources of abundant material capital, both inside and outside our country. Foreign trade in general and export-import in particular have always played and will always play an important role in exploiting such resources. Therefore, in the coming years, by means of more appropriate mechanisms and renovation policies; more concentrated, with higher priority, sources of invested capital; and reorganization of the management machinery, which will be made more responsive and dynamic, we will create every possible favorable condition for increasing more quickly the value of export-import, gaining more sources of aid capital from other countries and international organizations, and appealing better for capital investment from outside sources.

We have many reasons to hope that our foreign trade would develop better in the coming years.

#### **Problems With Hanoi's Investment Projects Noted**

*92SE0274C Hanoi VIETNAM INVESTMENT REVIEW in English 18-24 May 92 p 17*

[Article by Nguyen Tri Dung]

[Text] "So far foreign investment projects in Hanoi have concentrated mainly on the areas of services, restaurants, hotels and offices. Some of them are in production but these are mostly small sized," said Professor Doctor Le Van Vien, Head of the External Relations Department of the Hanoi People's Committee in an exclusive interview with VIETNAM INVESTMENT BUREAU.

Up to now, Hanoi has been granted permits for 47 foreign investment projects with a total investment capital of 350 million U.S. dollars. But due to some unfeasible projects whose licences have been withdrawn, there remain only 43 projects with a total investment capital of 345 million dollars. They include 22 projects in the areas of services, hotels, offices, 15 projects on industrial production, two in the agriculture and food industry and five in communications, transport and posts.

According to Prof. Vien, among projects on production, two joint venture projects between Hanoi and Daewoo of South Korea are worth mentioning and once implemented "will contribute to changing the industrial face of the capital." One of the projects involves the production of cathode-ray tubes for TV sets and the other is on the establishment of a group of electronic spare parts enterprises, with total investment capital of 170 million US dollars.

Asked about the project signed with Chingfong company, Taiwan, for the assembling and production of motor bikes, Prof. Vien said that this is a "rather big" project, with investment capital of 55.5 million dollars, having two workshops, one in Hanoi and the other in Bien Hoa town, Dong Nai Province. Total capacity of both workshops will be 250,000 motor bikes a year.

But as described by Professor Vien, the project is being implemented with "unsteady steps" because concerned parties meet with difficulties, they cannot yet confirm themselves now.

Of late, Hanoi has made a list of projects calling for foreign investment.

Among the 50 projects listed, 23 of them are on production of consumer goods of all kinds, eight on the construction of restaurants and hotels, and the rest on infrastructure, building materials and electronic industries.

In Professor Vien's opinion, there are "no illegal investment projects and no false joint ventures" in Hanoi.

Recently there appeared on the markets in Hanoi and other provinces some products from commercial contracts signed between Hanoi and foreign companies. They include beer trade marked "Halida" from the Hanoi Microbial Food Factory under a contract signed with Denmark valued at 3 million dollars, half of which is contributed by Hanoi.

Another contract signed with a South Korean company on the production of chop-sticks for export with total investment capital of 500,000 dollars has turned out the first batch of chop-sticks for export. Under this contract, the foreign party is responsible for investment capital, equipment and technology while the Vietnamese party is responsible for materials, and labour. The products are returned to the foreign party. "The project for this project is fine," said Prof. Vien. Though this is a small size project and has only just become operational, it

employs 200 workers. Most of them do simple work but the main thing is that "it has turned out high-quality products acceptable to foreign trade partners."

Another contract—a commercial one on the production of wigs signed with the same South Korean company has involved some 300 workers and has already turned out products. In Professor Vien's words, "this project is able to further develop" and can attract another 150 workers in the near future. Wigs produced from real hair or synthetic fibre by the project are being put on sale on some international markets.

"Prospects for the contract on hand knitting of the fore flaps of sweaters are great," said Prof. Vien. The contract, signed between Hanoi and another South Korean company, is for the United States. The South Korean partner is responsible for the supply of workshops, premises and the workforce. "What's interesting and necessary for the Vietnamese now is that this joint venture only requires hand knitters, very abundant in Hanoi," Vien added that the South Korean partner had spent 4 months organizing a hand-knitting enterprise at the X 40 Enterprise, but failed. During an accidental meeting between a South Korean representative with Mr. Tran Duc Thanh, Director of the Hanoi Building Materials Company, the latter gladly promised to organize a joint enterprise. After only two months, the network of the enterprise has been formed everywhere in Hanoi and its outskirts with a workforce of 3,000 persons. "The potentials for the development of this occupation are great as Hanoi has many skillful wool hand-knitters," according to Professor Vien. According to him, the minimum wage of a worker at the enterprise is 14 USD and the maximum is 44 USD a month. Professor Vien predicted that this enterprise will take on no less than 10,000 workers, and pay is according to products turned out.

"Hanoi is persistently pursuing its projects of priority, but not only those projects, Hanoi is ready to accept any projects provided that they are profitable and favourable for the development of the city," Vien emphasized.

According to its list of projects calling for foreign investment, Hanoi is concentrating on persuading foreign investors to take part in projects in different areas such as the construction of infrastructure, electronics, computers, tailoring and garments and textile, engineering, consumer goods, handicraft and art articles, food processing, drink and leather ware and footwear for export.

In Professor Le Van Vien's opinion, it's favorable to do business in Vietnam particularly now as there are many investment opportunities, privileges and encouragement.

"We have submitted a proposal to the Vietnamese government for granting investors in Hanoi special privileges such as lower taxes or exemptions for a certain period of time, lower prices of electricity and water supply and longer terms of investment," Vien told VIR. "But there are also difficulties in doing business in

Vietnam in general, and in Hanoi in particular," stressed Professor Vien, adding, "experience drawn in the past years shows that in Hanoi Asian companies are more successful than European ones. Because they are less demanding and more trusting of the Vietnamese counterparts."

"Although the speed of attracting foreign investment in Hanoi is not satisfactory, it is admitted that foreign investment in Hanoi is increasing steadily in both number of projects and the amount of investment capital. Anyhow, Hanoi is only second to Ho Chi Minh City," concluded Prof. Vien.

However, in comparison with its potentials and as a centre of 226 industrial enterprises hundreds of State-run and private enterprises and companies, 29 universities and colleges with the number intellectuals and skillful labour force accounting for 60 percent of the total number in the whole country, the number of investment projects in Hanoi is very small.

#### **Joint Venture Licenses Withdrawal Examined**

*92SE0274A Hanoi VIETNAM INVESTMENT  
REVIEW in English 18-24 May 92 p 16*

[Text] At the end of his inspection tour of joint venture projects in Ho Chi Minh City and Vung Tau, Prof. Nguyen Mai, vice chairman of the State Committee for Cooperation and Investment (SCCI) said last week that at least 15 invested licences would be withdrawn within the month.

"Although the final decision will come soon, pending a consensus from the Committee leadership, I think these projects which are financially inoperative should be suspended," Prof. Mai said.

By the end of 1991, reports from Ho Chi Minh City and Vung Tau, where most of Vietnam's offshore invested projects are located, show that a lot of them are having difficulties in starting up. Some others are either at a standstill or are seriously violating their licences.

"I want to get first hand knowledge of the situation so as to make a timely and proper decision," Prof. Mai explained.

Most of the unsuccessful projects face the same problem: the invested capital is often much higher than the investors' financial ability. Only after being granted their investment licences have these investors started to look for financial backing. "No wonder most of these projects are very slow in pouring in capital and equipment as agreed in the contracts and licences," said one official from the SCCI who accompanied Prof. Mai. "They simply could not get the loans they had expected," he told VIR.

On the other hand, some project patrons are in reality acting as brokers. They try to finalise an investment

project, and then freeze it while trying to resell the license. Most of the projects in this category are hotel- or real estate-related.

On the worse side of it, some investors are using the joint-venture projects as a front behind which illegal deals are conducted.

The qualifications of some Vietnamese officials who take part in joint venture management leaves much to be desired, said the SCCI official.

#### **City Dissatisfied With Investment Performance**

*92SE0274B Hanoi VIETNAM INVESTMENT  
REVIEW in English 18-24 May 92 p 16*

[Article by Nguyen Anh Tuan]

[Text] In the Ho Chi Minh City area there have been 171 licensed projects, of which 70 percent are joint venture enterprises, with a total investment of nearly one billion US dollars. This figure does not include 20 projects which have had or are being considered to have their licences withdrawn.

Except for the oil and gas exploration and exploitation projects on the continental shelf of Vietnam, the capital already invested in Ho Chi Minh City accounts for 40 percent out of the total capital of the whole country.

Even though it always takes the lead in the country in terms of the number of projects and foreign invested capital, Ho Chi Minh City seems unsatisfied with the recorded achievements. So a conference is planned to be held on May 23, 1992 to reassess the investment situation in the city over the past four years and map out a more reasonable investment promotion programme.

Among these projects, hotel and services projects occupy about 34.2 percent of the total number of projects in the city area. The runners-up are projects in the manufacturing and processing of products for consumption and export.

There has been an ever increasing tempo of foreign direct investment in the city. In 1991, the number of licensed projects and the registered investment capital are as much as those in the three previous years. In the first four months of 1992, 31 more projects have been licensed with a total investment of over 323 million US dollars.

As the People's Committee of the city assessed, until now about 57 projects have been put into operation, 27 projects are under construction, 24 projects have been slowly deployed as they have with a lot of difficulties, [as printed] 19 projects haven't been deployed yet, and the rest are newly, licensed projects.

About 10,000 people have been recruited for enterprises with foreign invested capital in the city, 1,500 more than last year. It is estimated that over 3,500 people work on a seasonal basis and several thousand others work in the



indirect services area. The salary of those employees who work in the manufacturing enterprises averages 40 US dollars, and in the services area, over 60 US dollars. The salary of the managing staff varies greatly, the lowest is 160 US dollars per month, the highest, 2,500 US dollars per month.

Foreign investment activity has helped to increase the city's exports. By 1991, export turnover of the enterprises with foreign invested capital reached about 27 million US dollars. This figure is increasing fast as there are an increasing number of projects being put into actual operation.

In 1990 and 1991, these enterprises paid taxes worth 12.1 billion Vietnamese dong, over one million US dollars and one million rubles to the State Budget. This figure does not include land rents and profit tax of the Saigon Floating Hotel, a project operating effectively for the past one and a half years.

Some foreign investment projects have contributed to changing the face of the city. The process of working in enterprises with foreign invested capital has also helped create a contingent of managing staff in keeping with demand of the market mechanism.

Despite these positive results, some officials in the city still thought that it necessary to have an investment promotion programme and a more reasonable mechanism of managing investment projects.

Mr Pham Chanh Truc, Vice-President of the People's Committee of the city said: "Apart from the recorded positive results, foreign direct investment activity has seen not a few limitations in the number of projects, their scope, economic and social effectiveness, and particularly the disassociation with the overall development planning of the city."

In the management of investment activity, there is both overstrictness, causing difficulties to project sponsors, and some weak points, even some slackness in management, leading to some negative activities contrary to the law or in breach of the stipulations of investment licences.

The Vice-President of the city also said that it was high time to have the allocation of land to foreign investment projects associated with the overall planning concerning the floor space. Environment-polluting industrial projects are not allowed to be built in the city proper. This policy is aimed at distributing the population, as four million people of the city and hundreds of thousands of frequent visitors are living and working in a number of precincts, causing pressure to many areas, particularly the communications in the city's centre.

As Mr Truc sees it, with respect to investment projects in industries that require high technology such as electronics, informatics, engineering, it is necessary to have the participation of large, world-prestigious groups.

Ho Chi Minh City and other Southern provinces are experiencing great difficulties in energy. While awaiting the power supply from the 500 kV North-South Transmission Line, the city is preparing for the construction of a thermal power plant with a capacity of 675 MW next to the Tan Thuan Export Processing Zone, outside the city's centre. "This is a thing that needs to be done."

### **Mekong Delta Facing Problems in Rice Business**

922E0154A *Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese* 3 Apr 92 pp 1, 5

[Article by Tran Thien Nhien: "Capital and Market: Two Urgent Problems Involved in Efforts To Resolve Rice Purchases and Export in Mekong Delta"]

[Text] Having better land, weather, and climatic conditions than other regions, the Mekong River Delta has long become a major rice-producing region of our country. Since the liberation and mostly in recent years, due to the effects of mechanism and policy renovation and to appropriate investment in science and technology, the cultivated area and volume of production in this region have increased considerably. In spite of the fact that the water conservancy system can satisfy only 30 percent of its need, the area devoted to rice cultivation has so far reached the level of 2.68 million hectares, an increase of 29.96 percent; the average yield per crop, 37.3 quintals/hectare, an increase of 85.57 percent; and volume of production, 9,986,000 tons of paddy, an increase of 114 percent over 1976. With such a volume of production compared to consumption in the region, there was a surplus of rice. The quantities of paddy and rice taken out of the region were from 3.2 to 3.5 million tons in 1989; 4 to 4.5 million tons in 1990; and 3.8 to 4.2 million tons in 1991. In 1992, because the winter-spring crop can be a very good one, the quantity of commodity-paddy can be as much as 4.5 million tons. With the new market mechanism, in order to ensure the interests of producers and to boost the source of foreign currencies to enable the state to reinvest in production, and after balancing the needs in domestic consumption and maintaining a reserve, in 1989 our state adopted the policy of exporting each year about 1.5 million tons of rice; however, in reality, that goal has not yet been attained so far. In 1992, with the plan calling for exporting 1.2 million tons of rice, only 300,000 tons have been exported by the end of March 1992. Currently, the harvest of the winter-spring crop in Nam Bo is in full swing; the state cannot purchase rice because it lacks cash, while farmers who need to sell their rice to get money to pay off debts and to invest in the forthcoming summer-autumn crop have been forced to sell rice to private businessmen at below-cost prices, and prices of paddy have been decreasing, which means considerable losses for producers.

To ensure consumption of farmers' products is the state's responsibility, but in the present difficult situation prevailing in the entire country, the state cannot

afford to purchase a large volume of paddy-rice from farmers, and this fact is a pressing economic problem in the Mekong River Delta.

Many people think that the main difficulty now is capital. SAIGON GIAI PHONG, in its recent issue, said that on 21 February 1992 the Council of Ministers asked the Ministry of Finance to give immediately 100 billion dong in cash to the Vietnam Grain General Corporation 2 to purchase paddy and that the general corporation has so far received only 7 billion. Not only this general corporation but almost all grain corporations in the provinces in the region seemed to have been forced to remain inactive and to watch helplessly as private businessmen had been imposing low prices on farmers. While it is true that capital is the biggest difficulty, in our trip aimed at getting to know the real situation and discussing with rice-exporting units in the region, we have found another reason that is no less important—the market. In reality, we have units that have money and a rice export permit but do not have an export market and thus do not dare to purchase rice; on the other hand, we have units that have found a market to export rice to but do not have money, nor a direct export permit. Consequently, we must resolve both problems simultaneously and at a macrocosmic level, on the basis of mobilizing all forces and all sources of capital for purchasing all of the farmers' rice in order to avoid a reduction of their volume of production in the next year.

*One is the problem of market.* In the market economy, special importance must be attached to product quality. After three years of rice exporting, our state has been paying much attention to this matter by urging farmers to replace the old rice varieties with new ones, which yield long and firm grains and less broken grains, and by investing in new milling technology, which makes rice grains white and shiny and reduces by 5 to 10 percent the amount of broken grains resulting from milling, thus satisfying export standard requirements and making our rice stand strongly amidst competition. Many provinces, such as Dong Thap, which were unable to produce rice for export, now have begun to do so. That was a big effort, but there is another matter to think about. The export standards of a product also depend on the standards, needs, and liking of importing countries. Not all countries can afford to import the very good kinds of rice at high prices; in addition, depending on the habits of individual countries, rice is delicious in one country but is not necessarily as delicious in another country. We must therefore strengthen our efforts to get to know the markets and needs of different countries to expand our export market—to export the maximum amount of rice that we need to export, and not just the one kind that offers high quality. According to rice exporters, Middle Eastern markets ask for the good rice; Europe and Russia's Far East, rice of intermediate quality; and Africa, poor-quality rice at low prices, which does sell. Moreover, as we study markets, we seek to know not only what they need to buy but also what they need to sell because every country must export in order to be able to

import, and because we must do proper things in order to eventually sell our products. With the permission of the Council of Ministers, the national reserves sector has recently exported rice to Russia's Far East in order to get in return automobile tires and tubes, and iron and steel to build up our reserves with, and to fulfill the needs of our economy in an effective manner. This is a new way to do things, thanks to the two countries' reserves sectors mutually knowing each other's needs as a precondition for establishing a new mechanism of motivation to strengthen the sectors' role in the market economy. In this spirit, we wonder whether the state should extend the scope of rice export. Any economic organization, whether it is state-operated, collective, or private, is permitted to export rice, provided it has a market, capital, and the guarantee of the paddy-rice association, in order to quickly liquidate the paddy-rice and commodities we have each year. On the other hand, the state should also consider making export price adjustments to conform to international market prices at different times to help people in the rice business to find an outlet for their commodity, with the interests of producers being first granted proper guarantee, of course. If any units that find a market and secure sufficient capital are permitted to export, we will avoid the phenomenon of making profits by selling quota to one another, which would throw the market into chaos as it did in recent years. On this basis, we will also create favorable conditions for large rice-exporting organizations to gradually take shape; for creating stable markets having close and lasting relations with farmer households; and for signing contracts on investment of capital and materials, and guaranteed consumption of products, to make farmers have peace of mind while producing and at the same time to gradually reduce the cases of private businessmen forcing low prices on farmers in every harvest season.

*Two is the problem of capital.* The current problem of capital is a difficulty not only for a single sector but also for the entire economy. In this situation, to wait for the state to provide capital, to buy only after money has been provided, and to buy only to the extent of the amount of money provided is something really unthinkable. The only way, and best way, is to mobilize capital, domestic and foreign. Any economic units that succeed in signing contracts with foreign countries to import materials and equipment from them and to pay with rice, as the reserves sector has done, should get encouragement from the state. Within the country, to grant equality to all economic components in purchasing rice for exporting purposes will also help to mobilize considerable capital from private economic organizations. We wonder whether the state should issue special bonds to continue mobilizing idle money from the people to use in the country's important and urgent work. The state bank should also quickly adopt a policy to handle in a positive and appropriate manner the issue of debt payment in favor of farmers who cannot sell their paddy and consequently have no money to pay off their debts. In short, any measures that can help to mobilize capital for

purchasing rice in the Mekong River Delta now are necessary and logical. These measures should include the printing of a certain amount of cash, which is not inflationary because this money is guaranteed with paddy-rice, hence, with hard currency to be obtained if this rice is exported.

## SOCIAL

### Destruction, Theft of Electric Cable Reported

#### Several Sentenced, Fined

922E0162B Ho Chi Minh City TUOI TRE  
in Vietnamese 21 May 92 p 1

[Article by Thu An]

[Text] On the morning of 19 May, the court in Ho Chi Minh City sentenced Nguyen Thanh Tung to 14 years' imprisonment for the crime of "destruction of important means of national security. Within the space of one month, Tung, donning electric power personnel uniforms, and his accomplices cut off more than 500 meters of power wires and sold them for 500,000 dong, which they spent on booze. Tung was ordered to pay the state a refund of 500,000 dong and to be put under surveillance in his locality of residence for four years after he has served out his jail term.

In the same session, the city's court also sentenced Tran Van Ha and Tran Van Dat to 18 months' imprisonment for the same crime. Ha and Dat were arrested while they were trying to steal the underwater iron net installed to protect the support of the Ba Trieu Bridge. They will be put under surveillance in their locality of residence for two years after serving out their sentence.

#### More Cases Reported

922E0162C Ho Chi Minh City TUOI TRE  
in Vietnamese 26 May 92 p 2

[Article by Thu An]

[Text] On the morning of 23 May, the court in Ho Chi Minh City sentenced Nguyen Duy Lac and Phi Long Binh—both residents of Tam Ha 2 Hamlet, Linh Dong Village, Thu Duc District—to eight and three years' imprisonment respectively for the crime of "destruction of important national security means and projects." Lac, twice convicted of previous crimes and known to have committed another offense, had used a pair of pincers to cut electric wires near the Rach Chiec Bridge for Binh to roll them up. But both were caught red-handed before they could finish their misdeed.

Nguyen Van Thanh, a resident of Subward 8, Third Precinct, was also sentenced to four years' imprisonment for the same crime. Thanh (together with Mai Van Thiet, who is still at large), had cut off a 60-meter length of electric wire of the street lighting system in front of the Vinh Nghiem Pagoda. When their crime was discovered,

Thanh and Thiet ran away. But because Thiet was indentified, the police searched his home and captured Thanh there along with the stolen electric wire and seven lengths of copper wire.

### General Inspector Interviewed on Corruption

922E0161A Ho Chi Minh City TUOI TRE CHU  
NHAT in Vietnamese 10 May 92 pp 2, 3

[Interview with State General Inspector Nguyen Ky Cam by TUOI TRE Correspondent Minh Duc, place and date not given: "Exchange of Views With State General Inspector Nguyen Ky Cam—Corruption: What Are the Accurate Figures?"]

[Text] Six vice ministers, 16 general directors and deputy general directors, 13,000 enterprise directors, and many district people's committee chairmen and vice chairmen were guilty of corruption.... Those were the figures the inspection service had come up with and those also were the cases the files of which had been turned over to the control sector and courts for legal actions. However, a recent exchange of views in Hanoi between a TUOI TRE correspondent and State General Inspector Nguyen Ky Cam showed that these figures did not accurately reflect the real state of numerous corrupt acts that have occurred in society. Of the six vice ministers already brought to trial, three had served in the banking sector, one in the financial sector.... Also tried was a former chairman of the people's committee of Cao Bang Province. But many cases have dragged on, causing much public dissatisfaction. Why? State General Inspector Nguyen Ky Cam explained:

In conducting inspections in the executive system, the inspection service is dutybound to take administrative disciplinary action if it deems that an infraction of the law or of Council of Ministers decrees is not serious. But if any indication of criminal offenses is detected, then the authority to take the next step belongs to the investigative and adjudicative organs. Corruption can be said to have become a widespread social ill in our country. It has not only appeared in the central agencies but has also manifested itself in various evils, in state cadres' and workers' demands for bribes. In a broader sense, even the banking sector's negative practice of laying down cash-withdrawing "general rules" was also a corrupt act. Corruption has many strange faces, ranging from the scandal of the National Department of Food Reserves to the story of a cadre in Nghe Tinh province who took advantage of the partition of the province to buy 1,200 tonnes of steel from a local service. He later resold the steel to the same service at a profit of 560 million dong, donating 8 million of which to the service. Those were deliberate infractions of the law or exploitation of legal loopholes to engage in speculative activities to make profits for one's own service or for oneself. The state inspection service is currently conducting large-scale inspections of the oil and banking sectors. As things stand now, we can conclude that there will be another scandal similar to the National Department of Food

Reserves scandal. The oil sector even sold the national oil reserves at a profit of more than 6 billion dong. Many people have asked how far the investigation into the "theft of 51.8 tonnes of monosodium glutamate" has progressed. The inspection service has now concluded that the monosodium glutamate was not lost, but the authority to take action against former General Director Nguyen Thien Luan belongs to the Council of Ministers. This is because when the case was uncovered, Mr. Luan was already a vice minister, therefore only the Council of Ministers is empowered to dismiss or relieve him (!).

To date, the inspection service has recovered for the state \$3.5 million, 2,600 taels of gold, and 36,000 tonnes of paddy. However, these figures are still too low compared to the huge losses of state property.

**[Minh Duc] What has impeded the state inspection service in its efforts to contribute to rolling back corruption in our country?**

[Nguyen] Despite the fact that the inspection service has achieved definite results, lawbreaking activities and corruption have not yet been checked. On the contrary, they have continued to occur even more widely. There have been numerous very serious cases that have developed into factors capable of causing political instability. The actions and maneuvers of corrupt people are sophisticated and complicated. These people take advantage of all loopholes in the management mechanism and policies. In many cases, they have deliberately acted in contradiction to established procedures and policies and have resorted to many tricks to cover up their crimes, to seek support, to demand bribes, to squander state money and to offer it as bribes in many sophisticated forms of gifts and presents. In view of this situation, the immediate cause of the limited results of the struggle against corruption is the fact that we have been slow in renovating organizational and cadre work and have failed to pay due attention to cadre management and training. In many places, the leadership has not yet made a full assessment of the real situation in order to work out measures to concentrate their efforts on adequately guiding the struggle against corruption.

The inspection service should be given broader powers. The service has been authorized to directly inspect sectors about which many questions have been raised for a long time, such as the banking sector, the National Department of Food Reserves, the capital construction investment sector, the oil sector... We should continue to improve the professional training of inspectors, striving to have 30% of inspectors with a college degree. The inspection system should be reorganized according to specialized fields of activities and placed under unified leadership. At present, the inspection agencies in districts have not yet been unified and still have a dual leadership. In the near future, these agencies must be restructured in accordance with a vertical organizational system.

**[Minh Duc] Along with its inspection and anticorruption duties, the inspection service also has another important task: resolving citizens' denunciations and complaints. We understand that state inspection agencies are being very slow in carrying out this task. Why?**

[Nguyen] The inspection service receives 80,000 to 110,000 denunciations and complaints by the people each year. These complaints focus on two major issues: complaints about housing, which consist of 30 different types of complaints; and complaints about land disputes, which consist of 29 different types of complaints. The inspection service only turns over about 65-70% of these cases to other agencies for settlement, but the majority of these complainants are not satisfied and continue to complain. In my opinion, this state of affairs is caused by the lack of a clearly defined policy serving as the guideline in resolving such problems, or by historical factors which have hampered the settlement of many cases. The new policy has brought about changes, but a guideline is still lacking for resolving remaining problems from the past, and this has caused a backlog of denunciations and complaints by citizens.

At present, there is a very large number of citizens' denunciations and complaints against state agencies. We have only set up criminal, civil, and military courts, but we badly need administrative, economic courts... We are proposing that the Council of Ministers set up administrative courts subordinate to the inspection service to adjudicate disputes between citizens and state agencies. If these courts are established, any ordinary citizen will have the right to sue a public security officer, a tax service official, and an ordinary civil servant if these persons abuse their positions to bully the people. Or if the local echelons adopt an erroneous policy which affects the local people's livelihood, the leadership concerned themselves must appear before the court and compensate the people.

**[Minh Duc] With the state inspection service in operation, why should the organs of control also exert further "control" over state agencies? Doesn't this mean a duplication of effort?**

[Nguyen] The principal function of the organs of control is public prosecution. But in addition to this, they also have the additional function of controlling the implementation of laws. Recently, the organs of control and inspection service often duplicated each other's work, causing trouble to the organs being inspected. In my opinion, the control function of the organs of control should continue to be recognized, but it should be limited. Recently, coordination among the inspection service, organs of control, public security service, and the courts yielded fairly good results in uncovering corrupt practices. We discovered 4,806 cases involving 7,828 people in which there were indications of corruption and turned them over to the organs of control and public security service. These two agencies decided to initiate proceedings in 4617 cases and the courts sentenced 20 defendants to life, 444 defendants to more than 20 years' imprisonment, and 2597 others to less than 5 years' imprisonment. Concerning the direction to follow in the future, I think there still should be coordination among

the services concerned in accordance with their specific functions, but they should avoid treading on each other's toes in the process of inspection, investigation, control....

#### **Official Interviewed on Labor**

922E0162A Ho Chi Minh City TUOI TRE CHU  
NHAT in Vietnamese 17 May 92 pp 3, 4

[Interview with Nguyen Van Chi, director of Ho Chi Minh City's Labor, War Invalids, and Social Welfare Service, by TUOI TRE Correspondent T.C.; place and date not given]

[Text] [T.C.] Mr. Director, on the basis of the realities in the recent years, would you please tell us what are the most fundamental factors that have influenced the capability to provide employment for workers in Ho Chi Minh City?

[Chi] I think it is first and foremost the development of production and business. In the recent years, despite its difficulties, our multisector economy has still made progress. This is the basis for creating many more jobs for workers. Of the more than 2.3 million laborers in our city, 1,579,500 are employed in various sectors of the national economy, with 52% of them working in the individual and private capitalist sector, 35.4% in the state sector, and 12.6% in the cooperative and collective sector.

Another important issue is the current state of the quality of labor. It can be said right away that this is an alarming problem. The majority of laborers needing employment are unskilled and lack technical knowledge, a state of affairs TUOI TRE has reported on several occasions. On the other hand, the reality of the socioeconomic development process also demands new skills for which we lack training preparation such as banking and accounting services, business administration, legal consultancy, repair, shipbuilding.... In the near future, the Tan Thuan export processing zone will attract business investment from more than 150 foreign companies and need more than 50,000 workers, but we lack preparation for training such laborers. Meanwhile, students formally trained in our colleges and vocational middle schools have continued to be wasted and have not been appropriately assigned after their graduation. In 1992, there will be 8,000 workers of this category. Job training has not yet been tightly managed and the role of state management in this area has not yet been clearly defined, which has resulted in vocational training not being effectively linked to job placement.

Service and labor procurement is also an important catalyst in finding employment for workers. Last year, various labor procurement service corporations and offices of the state and mass organizations actively contributed to providing jobs for nearly 25,000 laborers,

[T.C.] The plan submitted by the Labor, War Invalids, and Social Welfare Service to the People's Council of Ho Chi Minh City will provide employment for 100,000 laborers

in 1992. Would you please tell us about measures that may be applied to achieve this target?

[Chi] First of all, the state must create a stable environment for production and encourage the development of various economic sectors. It must clearly determine that peasant households in the suburban districts and small proprietor households in the urban areas are one of the most efficient production and business units which make little investment for capital construction but attract a large number of laborers. If a program is drawn up to boost their confidence and help them develop, these units would be able to attract a new source of manpower.

Recently, the Labor, War Invalids, and Social Welfare Service coordinated with the Peasants Association, the Gardeners Association, the Agricultural Bank, and the EC Program in providing capital for poor peasant households, paying special attention to the 4,000 peasant households that have lost all their property as a result of land ownership readjustments. This must be considered a central task of the hunger and poverty relief program.

On the basis of the labor market demands, this year we will have to provide the former Nam Bo provinces with 7,000 to 10,000 laborers for work in the trade business, river-way transportation, construction, technical, and other services.... Cambodia and Laos—especially Cambodia—currently face very high demand in national reconstruction and need a very large number of laborers, particularly in the construction, service, hotel industry, communications, hydroelectric power, water conservancy, and other sectors.... Ho Chi Minh City will coordinate with various centrally-operated corporations such as the Union of Water Conservancy Enterprises No. 4, the General Construction Corporation No. 1, the Saigon General Construction Corporation, and the General Rubber Department to send about 3,500-4,000 laborers to these two countries to work. In the near future, I will go to Taiwan to sign a contract with the Yaoteh conglomerate to export 10,000 laborers to Taiwan annually for 10 years. We will carry out the contract to provide 1,000-1,500 crewmen and fishery technicians for work in Southeast Asian littoral countries. In the field of labor export, the Labor, War Invalids, and Social Welfare Service of Ho Chi Minh City has set up the Laborers and Specialists Export Corporation and will associate with the Federation of Workers and Ho Chi Minh Communist Youth Union in the city, coordinate with various corporations and enterprises, and enter into joint ventures with labor export corporations in experienced countries to satisfactorily carry out labor exportation. Regarding labor procurement activities, it is necessary to prepare to train skilled workers to meet the demands of international cooperation and the export processing zone.

In key urban centers such as Ho Chi Minh City, we should continue to develop various kinds of services. For

example, there are now approximately 10-15% of families that need servants. Each year, this kind of service attracts 8,000 to 10,000 laborers.

In particular, this year the state has established a 830-billion dong national employment fund with 500 billion slated for small and medium production development projects. Ho Chi Minh City is actively formulating 30 such projects to make use of the capital furnished by the central government. These projects are aimed at developing local production in accordance with the local labor and professional characteristics and standards. For example, there will be projects for development of shrimp rearing in Duyen Hai District, rice pancake and basket making in Cu Chi District, duck breeding in Nha Be District.... These projects promise to attract about 25,000 laborers.

The above is the plan that our service has put forward in its capacity as a specialized organ responsible for staff work. To effectively implement it, there must be a combined effort of many sectors, many echelons, and many people.

#### **Explosions in Nha Be Factory Reported**

922E0155A Ho Chi Minh City SAIGON GIAI PHONG  
in Vietnamese 3 Apr 92 p 2

[Article by T.N.: "Advanced Warning Was Received About Explosions—Who Is Responsible?"]

[Text] At 1830 on Sunday, 22 March 1992, the peaceful atmosphere in Hamlet 3, Tan Thuan Dong village (Nha Be) was shattered by a series of sharp explosions that terrified the people living there. The explosions continued for nearly three hours, with the "harmony" of 105 mm artillery shells, mortar shells, etc., exploding at the rate of five to seven a minute. Flying shell fragments wounded a fireman, damaged a radio, and broke the windshield of a fire truck. Such a small amount of damage was "fortunate" in a major explosion.

It should be pointed out that the explosions were the inevitable result of lightly regarding the minimum standards regarding fire and explosion prevention and fighting by the Nha Be Steel Mill. The mill's raw materials storage area, which contained about 20 tons of shells of all kinds, was the subject of a "warning" five months previously, in November 1991. The Nha Be District unit issued a report requesting the mill to coordinate with the military engineers in disarming the shells that were still capable of causing an explosion. But the Nha Be Steel Mill did not do so, the result of which was the above-mentioned explosions. The Nha Be Steel Mill violated Directive 41 of the Municipal People's Committee on managing live shells and storing the shells in a manner that does not ensure fire prevention. In the opinion of some fire prevention and municipal public security safety inspection cadres, at the Nha Be Steel Mill workers still must use welding and acetylene torch

machinery does not meet the labor safety and prevention-control safety regulations. The cause of the explosions is still being investigated and the use of acetylene torches in the raw materials storage yard has not been ruled out. Another point that must be raised is that when the explosions occurred the mill's fire-prevention personnel practically did not participate in putting out the fires, but left to the specialized personnel the task of fighting the "shell fires." About 100 meters from the site of the explosions mill workers, under direct orders from the management board, continued to "produce normally," at a time when shell fragments could fall on their heads at any time! Shell fragments from the fire and explosions fell on the neighboring Foreign Trade Transportation Warehouse Shipping-Receiving Corporation and damaged a bicycle there.

The losses from the Nha Be Steel Mill were not serious (entirely due to good luck), but they have posed a number of urgent requirements regarding the implementation of labor safety, prevention-control safety, and the protection of workers' lives and state property. We recommend that the competent authorities quickly investigate to determine who was responsible for the explosions and strictly discipline them.

### **BIOGRAPHIC**

#### **Information on Personalities**

92P30100A

[Editorial Report] The following information on Vietnamese personalities has been extracted from Vietnamese language sources published in Hanoi, unless otherwise indicated. An asterisk indicates that this is the first known press reference to this individual functioning in this capacity.

**Nguyen Huu An [NGUYEENX HUWUX AN],**  
\*Colonel General

Director of the Military Academy; on 3 January 91 he spoke at the 15th founding anniversary of the academy. (NHAN DAN 4 Jan 92 p 1)

**Le Khac Binh [LEE KHAWCS BINHF]**

Chairman of the Ho Chi Minh City People's Council; on 29 April he attended the first city veterans' congress in Ho Chi Minh City. (Ho Chi Minh City SAIGON GIAI PHONG 30 Apr 92 p 1)

**Hoang Cam [HOANGF CAAMF], Colonel General**

On 26 April he attended the 25th victory anniversary of the "Junction City" battle. (Ho Chi Minh City SAIGON GIAI PHONG 30 Apr 92 p 1)

**Vo Tran Chi [VOX TRAANF CHIS]**

Member of the CPV [Communist Party of Vietnam] Politburo; secretary of the Ho Chi Minh City CPV

Committee; on 29 April he attended the first city veterans' congress in Ho Chi Minh City. (Ho Chi Minh City SAIGON GIAI PHONG 30 Apr 92 p 1)

**Vo Chi Cong [VOX CHIS COONG]**

\*Chairman of the Election Council for the Ninth National Assembly; on 29 April he was elected to this position at the first meeting of the council. (Ho Chi Minh City SAIGON GIAI PHONG 30 Apr 92 p 1)

**Nguyen Tu Cuong [NGUYEENX TUW CUWOWNGF], Major General**

Commander of the Special Operational Branch; his article on his group was published in the cited source. (NHAN DAN 16 Mar 92 p 3)

**Ngo The Dan [NGOO THEES ZAAAN]**

\*Vice minister of agriculture and food industry; on 11 January he welcomed Chairman of the Council of Ministers Vo Van Kiet who was visiting Ha Tay Province. (HANOI MOI 13 Jan 92 p 1)

**Nguyen Viet Dung [NGUYEENX VIEETJ ZUNGX]**

\*General secretary of the Election Council for the Ninth National Assembly; on 29 April he was elected to this position at the first meeting of the council. (Ho Chi Minh City SAIGON GIAI PHONG 30 Apr 92 p 1)

**Vu Dung [VUX ZUNGX]**

\*Second secretary at the SRV Embassy in Manila; his article on the Asian Institute of Management was published in the cited source. (Ho Chi Minh City TUOI TRE CHU NHAT 5 Jan 92 p 8)

**Duong Cong Da [ZUWOWNG COONG DAS]**

\*Chairman of the People's Council, Lang Son Province; on 13-18 March he made a report on his province for a National Assembly delegation who visited his province. (NHAN DAN 21 Mar 92 p 1)

**Nguyen De [NGUYEENX DEEJ], Lieutenant General**

Commander of the 9th MR; on 29 April he attended the first city veterans' congress in Ho Chi Minh City. (Ho Chi Minh City SAIGON GIAI PHONG 30 Apr 92 p 1)

**Le Quang Dao [LEE QUANG DAOJ]**

\*Vice chairman of the Election Council for the Ninth National Assembly; on 29 April he was elected to this position at the first meeting of the council. (Ho Chi Minh City SAIGON GIAI PHONG 30 Apr 92 p 1)

**Vo Nguyen Giap [VOX NGUYEEN GIAPS], Senior General**

On 29 April he attended the first city veterans' congress in Ho Chi Minh City. (Ho Chi Minh City SAIGON GIAI PHONG 30 Apr 92 p 1)

**Song Hao [SONG HAOF], Colonel General**

President of the Vietnam Veterans' Association; on 29 April he attended the first city veterans' congress in Ho Chi Minh City. (Ho Chi Minh City SAIGON GIAI PHONG 30 Apr 92 p )

**Phan Hien [PHAN HIEENF]**

President of the Vietnamese-American Association; recently he worked with an MIA delegation. (Ho Chi Minh City TUOI TRE 23 Apr 92 p 2)

**Le Ho [LEE HOOF]**

Vice governor of Vietnam State Bank; recently he was interviewed by the cited source on capital shortage. (Ho Chi Minh City THOI BAO KINH TE SAIGON 19-25 Mar 92 p 8)

**Le Minh Huong [LEE MINH HUWOWNG]**

Vice minister of Interior; recently he worked with an MIA delegation. (Ho Chi Minh City TUOI TRE 23 Apr 92 pp 1, 2)

**Pham Sy Liem [PHAMJ SIX LIEEM]**

Vice minister of construction; he was mentioned in an article on housing. (Ho Chi Minh City TUOI TRE 30 Apr 92 p 1)

**Pham Tam Long [PHAMJ TAAM LONG]**

Vice minister of Interior; he was mentioned in an article on security problems at the mines in Central Vietnam. (Ho Chi Minh City TUOI TRE 24 Apr 92 p 2)

**Tran The Loc [TRAANF THEES LOOCS]**

Vice minister of agriculture and food industry; \*President of the Vietnam Grains Import-Export Association; on 22 April he was elected to the latter position. (Ho Chi Minh City TUOI TRE 25 Apr 92 p 1)

**Nguyen Vinh Nghiep [NGUYEENX VINHX NGHIEEPJ]**

Chairman of the Ho Chi Minh City People's Committee; on 29 April he attended a wreath-laying ceremony at the city's soldiers tomb. (Ho Chi Minh City SAIGON GIAI PHONG 30 Apr 92 p 1)

**Vo Hong Nhan [VOOX HOONGF NHAAN]**

Secretary of the CPV Committee, Dong Thap Province; he was interviewed by the cited source. (Ho Chi Minh City SAIGON GIAI PHONG 28 Mar 92 pp 1, 5)

**Phan Quang [PHAN QUANG]**

Director general and editor in chief of the Voice of Vietnam; recently he received teaching equipment from the French Embassy in Vietnam. (HANOI MOI 20 Dec 91 p 4)

**Hoang Tanh [HOANGF TANH]**

Member of the CPV Central Committee; \*CPV secretary of Lang Son Province; on 13-18 March he made a report on his province for a national assembly delegation which visited his province. (NHAN DAN 21 Mar 92 p 1)

**Vo Viet Thanh [VOX VIEETS THANH]**

Vice chairman of the Ho Chi Minh City People's Committee; on 29 April he attended the first veterans' congress in Ho Chi Minh City. (Ho Chi Minh City SAIGON GIAI PHONG 30 Apr 92 p 1)

**Nguyen Huu Tho [NGUYEENX HUWUX THOJ]**

Vice chairman of the State Council; president of the Vietnam Fatherland Front; on 29 April he attended the first city veterans' congress in Ho Chi Minh City. (Ho Chi Minh City SAIGON GIAI PHONG 30 Apr 92 p 1)

**Nguyen Huu Tho [NGUYEENX HUWUX THOJ]**

\*Vice chairman of the Election Council for the Ninth National Assembly; on 29 April he was elected to this position at the first meeting of the council. (Ho Chi Minh City SAIGON GIAI PHONG 30 Apr 92 p 1)

**Tran Quoc Thuan [TRAANF QUOOCS THUAANJ],  
Lawyer**

Secretary of the Ho Chi Minh City People's Council; recently he was interviewed by TUOI TRE newspaper on the 1992 Constitution. (Ho Chi Minh City TUOI TRE 23 Apr 92 p 2)

**Nguyen Dinh Thu [NGUYEENX DINHF THUJ]**

\*Charge d'Affaires at the SRV Embassy in Australia; from 6 to 12 March he attended meetings between Australian officials and an SRV delegation visiting Australia. (NHAN DAN 23 Mar 92 p 4)

**Le Toan [LEE TOANF], Major General**

Deputy Commander of the Special Operations Branch; on 18 March he welcomed State Council Chairman Vo Chi Cong who was visiting his group. (NHAN DAN 19 Mar 92 pp 1, 4)

**Le Van Tuong [LEE VAWN TUWOWNGR],  
Lieutenant General**

First commander of the 9th Division; on 26 April he attended the 25th victory anniversary of the "Junction City" battle. (Ho Chi Minh City SAIGON GIAI PHONG 30 Apr 92 p 1)

**Bui Thanh Van [BUIF THANH VAAN], Lieutenant  
General**

Commander of the 7th MR; on 29 April he attended the first city veterans' congress in Ho Chi Minh City. (Ho Chi Minh City SAIGON GIAI PHONG 30 Apr 92 p 1)

**Vu Tuat Viet [VUX TUAATS VIEETJ]**

Editor in chief of SAIGON GIAI PHONG newspaper. On 24 April he attended a round table conference on "Uncle Ho's soldiers." (Ho Chi Minh City SAIGON GIAI PHONG 30 Apr 92 pp 2, 7)



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